



Trade Policy Review Body

TRADE POLICY REVIEW

REPORT BY THE SECRETARIAT

FJI

This report, prepared for the fourth Trade Policy Review of Fiji, has been drawn up by the WTO Secretariat on its own responsibility. The Secretariat has, as required by the Agreement establishing the Trade Policy Review Mechanism (Annex 3 of the Marrakesh Agreement Establishing the World Trade Organization), sought clarification from Fiji on its trade policies and practices

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SUMMARY

1. Fiji is an archipelago classified as an upper middle income country, with a high human development index. Its economy is largely exposed to the effects of climate change and frequent extreme weather episodes. In 2016, for example, a tropical cyclone destroyed physical infrastructure and led to a significant loss in agricultural production. Investments related to post cyclone reconstruction work contributed to GDP growth. Furthermore, substantial stimulus packages, including tax reduction and concessional loans, were devised to support economic activities.

2. GDP growth rates were positive from 2016 through 2018, as the expansionary fiscal and monetary stance lifted private consumption and further reinvigorated investments. Construction, finance, food, and accommodation activities were the main growth engines. However, in 2019, the economy contracted by 0.6% due to poor performance in the manufacturing sector. Furthermore, the COVID 19 pandemic took a significant toll, due to a fall in tourism activities and rippling effects to other economic sectors. Supply chain disruption in the manufacturing sector also played a role, and the economy further contracted in 2020 and 2021 by 17% and 5.1%, respectively. In 2022, Fiji's economic activities rebounded, and the recovery is set to continue in 2023. Inflation in Fiji is generally driven by food and fuel prices. Its rate stood over 3% from 2016 to 2018, before falling in 2019 and 2020. Post cyclone stimulus packages have led to a further deterioration of the country's fiscal deficit in recent years. The same dynamic has also prevailed for the current account deficit.

3. Fiji's strategic vision, as highlighted in its Development Plan, places emphasis on, inter alia, promoting MSMEs' development, empowering youth and women, and building an environmentally sustainable economy. International merchandise trade (imports and exports) stood at over 100% in 2019 but was affected by the COVID 19 pandemic. Primary agricultural products and agri food preparations are the main export products, and the top export destinations are the United States, Australia, and New Zealand. Imports are mostly sourced from Asia/Oceania. The leading import categories are food products, petroleum products, machinery and electrical equipment, and transport equipment.

4. In December 2022, a new government was formed after a general election, and the previous Ministry of Commerce, Trade, Tourism and Transport was reorganized as the Ministry of Trade, Co operatives, and Small and Medium Enterprises (MTCSME). The Prime Minister became responsible for foreign affairs, climate change, environment, civil service, information, public enterprises, and veteran affairs. During the review period, Fiji also enacted some new or amended trade related laws in areas such as investment, commerce, customs, taxation, standards, intellectual property, agriculture, land, energy, environment, health, financial services, telecommunications and audiovisual services, road and maritime transport, and tourism.

5. The MTCSME is responsible for formulating and implementing Fiji's external trade policy. It is also responsible for industry, investment, co operative businesses, micro and small enterprises, metrology, standards, consumer protection, and all trade negotiations. The MTCSME consults with other ministries and trade related agencies mainly through semi regular meetings of the Cabinet mandated inter ministerial Trade and Development Committee. The private sector and civil society continue to interact formally and informally with the Government.

6. The National Development Plan, issued in 2017 and currently under review, sets out both short and long term plans with a view to pursuing a progressive, vibrant, and inclusive society. The National Export Strategy, also currently under review, continues to serve as a guideline to achieve sustainable growth in export competitiveness, value addition, and diversification; the Strategy provides grant funding targeted to businesses that are currently exporting or intend to export.

7. Fiji fully supports, and is committed to, the multilateral trading system. Fiji is an original Member of the WTO, and grants at least MFN treatment to all of its trading partners. It is neither a party to the Information Technology Agreement nor to the Agreements on Government Procurement and Trade in Civil Aircraft. In WTO negotiations, Fiji is part of the Small, Vulnerable Economies group; the African, Caribbean and Pacific (ACP) Group; Friends of Fish; and one of the so called "W52" sponsors. Fiji has not been involved in any formal disputes. During the review period, Fiji made several WTO notifications, although some are outstanding.

8. Fiji has five regional trade agreements in force. During the review period, one such agreement entered into force. On 14 March 2019, Fiji signed an Interim Economic Partnership Agreement (IEPA) with the United Kingdom to replicate the IEPA between the European Union and the Pacific States.

9. On 3 June 2021, the Parliament adopted the Investment Act 2021, replacing the Foreign Investment Act 1999 and other subsequent acts and regulations. The new Act entered into force on 1 August 2022. According to the authorities, the Act was framed on international benchmarks.

10. Fiji ratified the Agreement on Trade Facilitation (TFA) in 2017 and subsequently notified its related commitments to the WTO. Fiji implemented several customs modernization reforms, including a digital and organizational transformation of the Fiji Revenue and Customs Service to meet future challenges of increased traffic and trade, as well as to take advantage of digitalization opportunities. As at September 2022, Fiji had fulfilled 97.1% of its TFA implementation commitments. The two remaining commitments concern test procedures for goods declared for importation (definitive implementation date: 31 December 2023) and the establishment of a single window (31 December 2025).

11. Fiji has bound 47.5% of its tariff lines. A significant difference remains between the average bound tariff (40.1% in 2022) and the average applied MFN tariff (6.2% in 2022, compared with 11.2% in 2015). The simple average applied MFN tariff for agricultural products (WTO definition) was 7.5% in 2022 and for non-agricultural goods 6.0%. For several tariff lines, the applied MFN rate exceeds the bound rate. The VAT applies to most imports at zero, 9%, or 15%. Excise duties, at 5%, 10%, or 15%, apply to a range of products, whether imported or manufactured domestically.

12. Fiji has substantial tariff concessions in the form of partial and full exemptions and remissions. According to the authorities, duty and tax concessions granted to imports resulted in forgone revenue in the range of FJD 250 million (around USD 115 million) over the 2016-22 period. Although declining, revenue losses on import related concessions amounted to approximately 15% of total fiscal revenue and some 33% on average for the last past three years (2020-22) of revenue collections by Fiji Customs.

13. Several import prohibitions, restrictions, and licensing requirements for health, security, and moral reasons remain in place. Fiji has few standards and technical regulations, mostly adopted from Australia and New Zealand. Several products, such as fisheries and agricultural products, are subject to export licensing requirements. Fiji continues to have export incentive schemes and other extensive tax incentives. Some of these incentives target priority sectors and are occasionally subject to minimum local content or export requirements. Fiji did not take anti-dumping or countervailing actions during the review period and has no safeguards legislation.

14. Fiji's competition law addresses competition affairs, consumer protection, and price controls. In general, the legislation prohibits restrictive business practices, misuse of dominant market position, bid rigging, exclusive dealing, resale price maintenance, and price discrimination. It has established and empowered the Fijian Competition and Consumer Commission to discharge various functions such as (i) competition adjudication and enforcement; (ii) consumer protection and enforcement; (iii) price control and monitoring; and (iv) economic regulation in certain industries, including specific provisions to protect women, rural dwellers, and other disadvantaged groups. Goods and services under price control in Fiji include various commodities, energy bills, infrastructure services fees (e.g. telecommunications, postal), and transport fees. State owned enterprises remain active in a few sectors.

15. Some changes occurred in intellectual property rights legislation. The introduction of the three new pieces of legislation (Trademarks Act (Act No. 36 of 2021); Patents Act (Act No. 37 of 2021); and Designs Act (Act No. 38 of 2021)) in Parliament on 19 August 2021 in relation to intellectual property rights is considered as a timely intervention for Fiji to meet its international commitments. While the legislation has been passed, no commencement date has yet been given; therefore, the acts are still not in effect.

16. Agriculture in Fiji is characterized by the large subsistence sector, the predominance of small farms (of less than one hectare), low mechanization, high input costs, poor farming and husbandry practices, inadequate infrastructure, marketing inefficiencies, and lack of access to credit. Between 2016 and 2021, the annual contribution of agriculture, forestry, and fishing to Fiji's GDP averaged

14.7%; the sector employs, directly or indirectly, close to two thirds of the labour force. Subsistence farming and sugarcane production have traditionally been important for Fiji's agriculture. Support policies include infrastructure and mechanization assistance, equity support, and relatively high tariffs on some foodstuffs. Fiji made no domestic support reduction commitments in the WTO; all of its support measures have been notified under the "Green Box". It does not provide export subsidies. Commercial farming is dominated by sugarcane. Processing and importation of unrefined sugar are the monopoly of the government owned Fiji Sugar Corporation (FSC). In September 2017, the European Union terminated the application of country specific quotas for sugar imports from ACP countries. The FSC is seeking alternative markets.

17. Fisheries accounted for 0.9% of GDP in 2021 (same in 2016). In terms of exports and re-exports in tonnes, fisheries accounted for around 10% of merchandise exports, which consist mainly of frozen and (canned) prepared or preserved tuna. On 21 November 2019, the Aquaculture Strategy (as a part of the Ministry of Fisheries Strategic Development Plan 2019-2029) was launched as a strategic development plan for the fisheries sector. According to the Strategy, there is capacity for significant growth in the industry with supports from the Ministry of Fisheries to stimulate large and small scale production. The Government provides several tax incentives that apply to newly incorporated entities engaged in a new business in certain areas between 1 January 2018 and 31 December 2028. In 2018, Fiji ratified the Agreement on Port State Measures.

18. More than half of electricity generated originates from renewable energy resources, while the rest depends on imported fossil fuel powered energy. Reducing energy imports is one of the Government's policy objectives. Tax incentives are granted to promote development of renewable energy resources. Prices are regulated, and subsidies are granted to small domestic consumers and schools.

19. Manufacturing accounts for 14.3% of GDP and 25.7% of goods exports. The main industries are food processing, tobacco, and beverages (mostly bottled water); apparel; and wood based products. The Government grants tax incentives and concessionary credit to promote manufacturing. The manufacturing industry has also benefited from marketing grants provided by the Government and an average applied MFN tariff rate of 6.2%. Apparel exports have been boosted by improved market access under Australia's Developing Country Preference scheme.

20. The services sector is the main pillar of Fiji's economy, as it contributes to two thirds of GDP and accounts for 51% of total exports. The sector is mainly made up of tourism, transport and storage, finance, and business services. The financial services industry performed relatively well during the review period, and almost all financial institutions contributed to its growing assets. Banking remains the main channel of funding in the economy, and the quality of lending was stable until 2019. However, the COVID-19 pandemic led to an increase in non-performing loans. The prudential framework for the financial sector was further improved during the review period. Offshore lending is not permitted unless approved by the central bank. Tourism is the largest contributor to GDP overall and foreign exchange earnings and is a major provider of jobs. The main source markets are Australia and New Zealand. Visitor arrivals slumped in 2020 and 2021, due to pandemic related restrictions.

21. Fiji's commitments under the GATS cover only hotels and other tourist accommodations and restaurants. State involvement in services remains significant (mainly in transport and telecommunications). For example, the state owned Airports Fiji Ltd manages international airports, and the 51% government owned Air Terminal Services Fiji is the only provider of ground handling services. A state owned company also holds a dominant position in both fixed and mobile phone industries. However, in the port management industry, since 2013, a concession has been granted to a private company to provide port services, previously in the hands of a state owned monopoly. In general, foreigners participate in services activities under the same conditions as their domestic counterparts. Maritime cabotage is not permitted, but a foreign ship may apply for a permit to engage in coastal shipping, provided there are no domestic equivalent services. Banking and insurance are relatively open, with subsidiaries and branches allowed. Under the Foreign Investment Regulations, there is a minimum investment threshold for a foreign investor wishing to engage in certain tourism related activities. In addition, foreign investments are not allowed in homestay lodging services and backpacker operator businesses, which are reserved for citizens.

1 ECONOMIC ENVIRONMENT

1.1 Main features of the economy

1.1. Fiji is an archipelago of more than 300 islands, of which about 110 are permanently inhabited. Some three quarters of its population live in the Greater Suva area or other urban centres. The country's economy is the second largest among the Pacific Island countries after Papua New Guinea, with a GDP of USD 4.59 billion in 2021. Since 2012, Fiji has been classified by the World Bank as an upper middle-income country. Its GNI per capita peaked at USD 5,910 in 2018, before falling to USD 4,930 in 2020 due to the negative effects of the COVID-19 pandemic.¹

1.2. Fiji's Human Development Index value for 2021 was 0.730 (slightly down from 0.746 in 2019), which put the country in the high-human development category.² The official poverty rate stood at 24% in 2019.

1.3. Fiji's economy relies heavily on the services sector, which accounted for two thirds of GDP from 2016 to 2019 before recording a slight decrease in 2020 and 2021 (Table 1.1). The sector is mainly made up of tourism, transport and storage, finance, and business services. The shares of agriculture, forestry and fishing, and manufacturing in GDP are also significant. With some 17% of GDP in 2021, the agriculture, forestry, and fishing sector has continued to expand noticeably to surpass the manufacturing sector. This reflects buoyant agricultural activities, mainly fuelled by production of timber, sugar cane, and fish. The share of manufacturing tends to decrease over time, and growing prospects remain subdued.

Table 1.1 Selected economic indicators, 2016-21

	2016	2017	2018	2019	2020	2021
National accounts						
Current GDP at market price (FJD million)	10,327.3	11,065.0	11,650.6	11,842.6	9,709.8	8,895.9
Current GDP at market price (USD million)	4,930.2	5,353.5	5,581.4	5,481.7	4,477.0	4,296.2
GDP per capita at current market price (USD)	5,651.3	6,101.1	6,317.5	6,159.5	4,994.2	4,758.3
Real GDP (% change)	2.4	5.4	3.8	-0.6	-17.0	-5.1
GDP by economic activities at current basic prices (%):						
Agriculture, forestry and fishing	13.1	13.0	13.6	14.6	17.1	17.0
Mining and quarrying	1.0	0.8	0.7	0.8	1.3	1.3
Manufacturing	13.4	12.9	12.9	12.7	12.9	13.6
Electricity, gas, water supply, sewerage	2.4	2.5	2.4	2.2	2.2	2.4
Construction	3.1	3.2	3.4	3.6	3.5	2.5
Services	67.0	67.6	67.0	66.1	63.0	63.2
Inflation and interest rates						
Inflation (CPI, % change)	3.9	3.4	4.1	1.8	-2.6	0.2
Lending rate (%)	5.85	5.74	5.68	6.03	6.19	5.94
Deposit rate (%)	2.82	3.24	3.40	4.06	3.70	2.58
Exchange rate						
FJD/USD (annual average)	2.097	2.063	2.092	2.160	2.161	2.074
Nominal effective exchange rate (% change)	0.2	-1.4	0.9	-0.3	0.7	-0.3
Real effective exchange rate (% change)	2.4	-0.3	4.1	-3.6	-3.0	-2.1
Central Government budget (% of GDP)						
Revenue	26.1	27.6	26.9	27.3	20.4	21.4
Tax revenue	23.2	24.5	23.8	22.5	16.7	15.4
Expenditure	27.4	29.4	32.4	29.9	33.2	37.2
Overall balance	-1.3	-1.8	-5.5	-2.7	-12.8	-15.8
Primary balance	1.3	0.7	-2.8	0.1	-9.1	-11.8
Central Government debt	44.0	43.7	46.4	48.9	70.8	86.7
Saving and investment (% of GDP)						
Gross savings	19.8	19.0	19.1	16.5	21.4	31.9
Gross domestic investment / gross capital formation	20.3	20.3	19.2	15.9	16.5	17.3
Saving-investment gap	-0.6	-1.3	-0.1	0.6	4.9	14.6

¹ World Bank, *GNI per Capita (Atlas Method)*. Viewed at: <https://data.worldbank.org/indicator/NY.GNP.PCAP.CD?locations=FJ>.

² UNDP, *Human Development Report*. Viewed at: <https://hdr.undp.org/data-center/specific-country-data#/countries/FJI>.

	2016	2017	2018	2019	2020	2021
External sector (% of GDP, unless otherwise indicated)						
Current account balance	-3.6	-6.6	-8.4	-12.6	-13.6	-16.0
Net merchandise trade	-20.3	-20.4	-24.3	-25.3	-14.7	-22.0
Merchandise exports	18.7	18.4	18.0	18.7	18.3	20.7
Merchandise imports	39.0	38.8	42.3	44.0	33.0	42.7
Services balance	16.4	15.4	16.6	14.9	-1.9	-5.3
Capital account	0.1	0.1	0.1	0.1	0.1	0.1
Financial account	-6.3	-9.4	-12.0	-11.8	-7.7	-18.4
Direct investment	-8.3	-7.3	-8.5	-6.5	-5.0	-8.8
Balance of payments	-0.1	3.1	-2.3	1.7	-0.4	11.5
Merchandise exports (% change in USD)	-5.0	7.1	1.7	2.3	-20.2	8.3
Merchandise imports (% change in USD)	2.2	8.2	13.6	2.2	-38.7	24.0
Service exports (% change in USD)	5.4	7.1	11.9	-2.8	-74.5	-30.9
Service imports (% change in USD)	1.4	13.6	11.8	8.4	-37.1	2.3
International reserves (USD million, end-period)	908.6	1,116.1	947.4	1,043.0	1,081.5	1,517.5
in months of prospective imports	5.3	5.7	4.1	7.3	7.7	6.9
Gross external debt (USD million, end-period)	1,460.7	1,655.0	1,730.4	1,939.9	2,020.7	2,651.7
% of GDP	29.6	30.9	31.0	35.4	45.1	61.7

Source: Fiji Bureau of Statistics; Reserve Bank of Fiji (RBF); World Bank Indicators; IMF; and information provided by the authorities.

1.4. Micro, small, and medium-sized enterprises (MSMEs) play a crucial role in Fiji's economy, accounting for over 18% of GDP, and provide employment for approximately 60% of the labour force.³ However, they face numerous challenges, including remoteness from overseas markets, costs and availability of finance, and the frequency and magnitude of extreme weather episodes, such as cyclones, flooding, and tsunami, which frequently cause severe damage to the economy and infrastructure. The Asian Development Bank considers that Fiji's growth trajectory and the increasing urbanization over the past decade have also created growing environmental challenges, including the degradation of land resources, increased risk of flooding to coastal settlements, and unsustainable exploitation of marine resources.⁴

1.5. According to the World Bank, Fiji's exposure to climate change threatens to undermine the country's long-term development objectives as stated in its current Development Plan.⁵ The authorities indicate that several initiatives are in place to face the challenges posed by climate change, including a National Adaptation Plan, which was launched in 2018 to strengthen the country's resilience. In addition, Fiji's Low Emission Development Strategy outlines long-term sustainable and resilient economy-wide mitigation pathways through to 2050.

1.6. In September 2021, Fiji adopted the Climate Change Act. The Act legally binds Fiji to its commitment of net-zero carbon emissions by 2050. Fiji's emission reduction target focuses on the energy sector, specifically on electricity generation and transmission and demand-side energy efficiency. According to the authorities, among specific measures that are undertaken, subsidies are provided on environmentally friendly items and on renewable energy products such as solar lamps, chargers, and batteries.

1.2 Recent economic developments

1.7. On 20 February 2016, Tropical Cyclone Winston struck Fiji, destroying physical assets and severely undermining production of goods and services. According to the World Bank, it impacted over 60% of the total population of Fiji. While housing and transport were the hardest hit, the highest level of production losses occurred in agriculture (including sugar).⁶ Lower activity was also reported

³ Fiji Government (2019), "Minister Kumar at the Launch of the Fiji Enterprise Engine (FEE) Programme", 15 March. Viewed at: <https://www.fiji.gov.fj/Media-Centre/Speeches/English/MINISTER-KUMAR-AT-THE-LAUNCH-OF-THE-FIJI-ENTERPRIS>.

⁴ Asian Development Bank (2021), *Fiji: Country Classification*. Viewed at: <https://www.adb.org/sites/default/files/institutional-document/753796/fiji-country-classification.pdf>.

⁵ World Bank (2017), *Climate Vulnerability Assessment: Making Fiji Climate Resilient*. Viewed at: <https://openknowledge.worldbank.org/handle/10986/28870?show=full>.

⁶ World Bank (2017), *Social Protection and Humanitarian Assistance Nexus for Disaster Response: Lessons Learnt from Fiji's Tropical Cyclone Winston*. Viewed at: <https://documents1.worldbank.org/curated/en/143591490296944528/pdf/113710-NWP-PUBLIC-P159592-1701.pdf>.

in fishing and aquaculture. The cyclone caused damages amounting to nearly 20% of Fiji's GDP. However, the economy was resilient and grew by 2.2%.

1.8. Various stimulus packages, including Fiji National Provident Fund's Cyclone Winston Natural Disaster assistance and the Government's Help for Homes initiative, were implemented. In addition, concessional loan packages offered by financial institutions post-cyclone, compounded by the expansionary 2016/2017 National Budget, notably VAT rate reduction from 15% to 9%, helped reinvigorate private consumption. Strong personal remittances also played a significant part in boosting consumption. Investment activities were strong, spurred by the post-cyclone reconstruction work.⁷

1.9. At the same time, the Reserve Bank of Fiji (RBF, the central bank) maintained an accommodative monetary policy with a low interest rate environment to support further growth in investments; the RBF's overnight policy rate was kept unchanged at 0.5% until 2020. Consequently, new lending for investment and consumption purposes increased, further supported by favourable business and consumer sentiments. Real GDP grew further in 2017 and 2018. From a sectoral perspective, economic activities were fuelled by the accommodation and food services, finance, and construction activities.

1.10. In 2019, real GDP contracted by 0.6%. While agriculture production, construction, wholesale, and retail activities increased and tourist arrivals rose, manufacturing, electricity supply, and transport activities decreased noticeably and contributed to the negative growth. Woodchip production fell by 25.6% and sugar output fell by 5.1% due to lower quality cane and mechanical issues at the sugar mills.⁸ Investments also softened, as evidenced by the subdued lending to real estate and construction sectors. Commercial banks' new lending for investment purposes declined by 16.7%, underpinned by lower lending to the real estate (-9.8%) and building and construction (-28.3%) sectors.⁹

1.11. Fiji's economy, in the wake of the COVID-19 pandemic, further contracted in 2020 and 2021 by 17% and 5.1%, respectively. The downturn was mostly driven by the significant fall in tourism activities and rippling effects to other economic activities. COVID-19 restrictions disrupted transport activities, especially air transport, as international borders were closed. In addition, wholesale and retail services and entertainment were affected with the imposition of social distancing measures, which significantly impacted domestic economic activities. There was also slowdown in the manufacturing sector mainly due to COVID-19-related supply chain disruption. Labour market conditions deteriorated, as a result of job losses in the tourism sector, and investments recorded sluggish performance amid low business confidence.

1.12. The Fiji Macroeconomic Committee eyes a gradual recovery in 2022 and 2023 that will depend on the scale of reopening and resumption of tourism. The baseline scenario suggests a real GDP growth of 15.6% in 2022 and a further 6% in 2023.

1.13. The authorities appear to be cognizant of the numerous challenges affecting the economy. In November 2017, they adopted a 20-Year Development Plan (2017-2036), which outlines the country's future development vision. It places emphasis on, *inter alia*, promoting MSMEs' development, empowering youth and women, increasing resilience to climate change, and building an environmentally sustainable economy. It relies on two pillars: (i) ensuring inclusive socio-economic development to improve living standards of citizens; and (ii) promoting transformational strategic actions to maximize Fiji's potential.¹⁰

1.14. Along the same lines, a Five-Year Development Plan (2017-2021) was adopted, highlighting more detailed action agendas with specific targets and policies that are aligned to the 20-Year

⁷ RBF (2017), *Annual Report 2016-2017*. Viewed at: <https://www.rbf.gov.fj/category/annual-report/>

⁸ RBF (2020), *Annual Report 2018-2019*. Viewed at: <https://www.rbf.gov.fj/category/annual-report/>.

⁹ RBF (2020), *2020 Economic Review*. Viewed at: <https://www.rbf.gov.fj/economic-review-december-2020/>.

¹⁰ Government of Fiji, *National Development Plan*. Viewed at: <https://www.fiji.gov.fj/getattachment/15b0ba03-825e-47f7-bf69-094ad33004dd/5-Year-20-Year-NATIONAL-DEVELOPMENT-PLAN.aspx>.

Development Plan. The Plan was translated into individual sector development plans to be implemented between 2017 and 2022.

1.15. Efforts were also underway on the front of macroeconomic policies. The RBF pursued, as spelled out by the RBF Act (1983), the conduct of Fiji's monetary policy by influencing interest rates, with a view to achieving two objectives: (i) ensure price stability, i.e. maintaining average inflation rates at around 3%-5%; and (ii) maintain an adequate level of foreign reserves, i.e. sufficient to cover at least four months of import payments.

1.16. During the review period, the RBF continued with its accommodative monetary policy stance by keeping its policy rate at 0.5%, with a view to providing necessary stimulus for the economy in light of weaker international and domestic conditions. However, as the pandemic hit harder on international travel, trade and consumer and business sentiments further weakened, and the RBF reduced the policy rate to 0.25% in March 2020. The RBF also established its funding of the Disaster Rehabilitation and Containment Facility (DRCF) of FJD 150 million to ensure that businesses affected by the pandemic are able to access cheaper credit. In addition, according to the authorities, in 2020 the RBF increased the Import Substitution and Export Financing Facility (ISEFF) allocation to FJD 300 million to provide credit to exporters, farmers, public transportation, and renewable energy businesses. Furthermore, the RBF invested FJD 300 million in government bonds to assist the Government to meet its financing needs. Monetary policy remained complementary to fiscal policy, which was also expansionary with an emphasis on tax cuts. In October 2021, the RBF reduced interest rates for ISEFF and DRCF to support credit activity. The RBF maintained the policy rate at 0.25% in 2022 to support the economy's recovery amid a high inflation environment.

1.17. Inflation was relatively high (with average annual rates over 3%) in 2016-18 (Table 1.1), led by higher food, yaqona (Fiji's traditional drink), and fuel prices. The impact of the cyclone in April 2016, followed by a flood in December, and the increase in global crude oil prices were the main drivers of inflation in Fiji. Higher excise taxes on tobacco and alcohol, which were introduced in 2018, also played their part in exacerbating inflation. However, as supply conditions started to normalize in 2019, the average annual inflation rate decreased to 1.8%. In 2020, inflation fell into the negative territory, on the account of falling food prices, as the Government implemented a tariff reduction on food products, and lower oil prices in a context of sluggish economic activities. However, owing to the projected pace of recovery in 2021, pandemic-induced supply chain disruptions and higher freight costs, inflation pressures have increased in 2022. The authorities indicate that annual average inflation rose to 4.3% in 2022, largely influenced by the spill-over of higher prices in Fiji's major trading partners combined with supply-side constraints induced by ongoing geopolitical tensions.

1.18. Fiscal deficit, as a proportion of GDP, increased slightly between 2016 and 2017 due to post-cyclone stimulus packages, and worsened in 2018. This reflected large spending in 2018 amid reconstruction efforts, following Tropical Cyclone Winston and general elections-related outlays at the end of the year. The authorities consider that higher salaries and wages, operating grants and transfers, and increased transfer payments on capital construction underpin the higher-than-usual deficit.¹¹ Fiji's overall fiscal situation worsened in the wake of the COVID-19 pandemic, with a sizeable fiscal deficit in 2020 and 2021. High loan guarantees to public enterprises, in a precarious economic context, further added to pressures on public deficit. Similarly, tax cuts to support the private sector and bolster economic activities significantly reduced the overall revenue envelope. Consequently, public debt has increased swiftly since 2019. However, the IMF considers that Fiji's debt framework benefits from mitigating factors, such as the limited share of debt in foreign currency and the high amount of foreign assets. In 2020, Fiji held about 37.4% of GDP in stock of foreign assets.¹²

1.19. The current account deficit stood 8.4% of GDP in 2018, a higher deficit compared to the previous years, driven by soaring imports of transportation equipment and higher oil prices. The deficit significantly increased in 2020 and 2021, due to a sharp drop in the services balance from the loss in tourism. In general, the overall deficit was attenuated by the influx of external financial flows (loans and grants), strong growth in remittances, and the SDR allocation in 2021 (Table 1.2).

¹¹ RBF (2018), *Annual Report 2017-2018*. Viewed at: <https://www.rbf.gov.fj/category/annual-report/>.

¹² IMF (2021), *Republic of Fiji: Staff Report for the Article IV Consultation*, IMF Country Report No. 21/257. Viewed at: <https://www.imf.org/en/Publications/CR/Issues/2021/12/03/Republic-of-Fiji-2021-Article-IV-Consultation-Press-Release-Staff-Report-and-Statement-by-510770>.

Fiji also continued to maintain various exchange and capital controls, which were further tightened at the onset of the COVID-19 outbreak. The authorities made changes to the exchange controls to cope with the crisis. These measures bear the risk of hindering international trade and foreign direct investment (FDI).¹³

Table 1.2 Balance of payments, 2016-21

(USD million)

	2016	2017	2018	2019	2020	2021
Current account	-177.8	-355.4	-471.5	-698.1	-614.1	-687.6
Goods and services balance	-191.7	-265.1	-432.7	-569.7	-747.1	-1,172.5
Goods balance	-998.7	-1,091.6	-1,358.6	-1,388.1	-660.0	-946.7
Exports	921.8	987.1	1,003.6	1,026.3	819.3	887.5
Imports	1,920.6	2,078.6	2,362.3	2,414.3	1,479.1	1,834.1
Services balance	807.0	826.5	926.0	818.4	-87.1	-225.8
Credit	1,382.5	1,480.1	1,656.7	1,610.1	410.9	283.8
Debit	575.5	653.6	730.7	791.8	498.0	509.6
Primary income	-273.9	-423.8	-358.5	-451.7	-281.6	-250.5
Credit	72.3	77.5	69.4	61.6	61.8	61.7
Investment income	24.4	39.4	37.0	32.3	30.7	33.5
Debit	346.2	501.3	427.9	513.2	343.4	312.2
Investment income	339.5	493.6	420.1	506.0	339.5	305.2
Secondary income	287.8	333.5	319.7	323.3	414.5	735.4
Credit	372.4	423.3	423.7	418.0	495.3	821.7
General government	63.5	86.0	97.3	88.0	103.4	221.3
Personal transfers	224.5	240.7	257.7	257.3	286.1	365.4
Other current transfers	84.4	96.6	68.8	72.8	105.8	235.1
Debit	84.6	89.8	104.0	94.7	80.8	86.3
General government	4.3	4.9	3.8	3.3	2.4	3.4
Personal transfers	6.3	7.3	7.9	4.0	3.6	5.2
Other current transfers	74.0	77.6	92.3	87.4	74.8	77.7
Capital account	4.3	4.4	5.0	3.2	3.5	3.2
Financial account (excluding reserve assets)	-309.2	-505.5	-671.0	-646.1	-346.5	-789.2
Direct investment	-408.1	-389.2	-472.5	-358.5	-225.9	-377.7
Net acquisition of financial assets	-16.4	-1.6	-3.6	-36.2	13.5	32.2
Net incurrence of liabilities	391.6	387.6	468.9	322.3	239.4	409.9
Portfolio investment	29.4	42.4	35.1	-17.2	179.6	24.0
Net acquisition of financial assets	15.4	42.4	54.7	22.1	25.7	24.0
Net incurrence of liabilities	-14.0	0.0	19.7	39.3	-154.0	0.0
Other investment	69.5	-158.6	-233.6	-270.4	-300.2	-435.5
Net acquisition of financial assets	-48.6	56.5	-219.7	28.3	-67.5	77.6
Debt instruments	-48.3	56.5	-219.7	28.3	-67.5	77.6
Net incurrence of liabilities	-118.2	215.1	13.9	298.7	232.7	513.1
Special drawing rights (allocations)	0.0	0.0	0.0	0.0	0.0	134.1
Other debt instruments	-118.2	215.1	13.9	298.7	232.7	379.0
Net errors and omission	-142.6	13.5	-330.9	141.6	246.6	387.3
Overall balance	-7.0	168.0	-126.4	92.8	-17.5	492.1

Source: IMF, *IMF Data: Access to Macroeconomic & Financial Data*.

1.20. The exchange rate of the Fiji dollar is linked to a basket of currencies of Fiji's five major trading partners: the US, Australian, and New Zealand dollars; the euro; and the Japanese yen. The weights used in the basket, based mainly on the value of trade and external debt, are reviewed on an annual basis. The exchange rate of the Fiji dollar against the US dollar, the intervention currency, is determined daily by the RBF in relation to the currency basket. The RBF considers that Fiji's exchange rate regime provides a nominal anchor, which facilitates international trade by shielding importers and exporters against exchange rate risk¹⁴; it also contributes to maintaining the stability of real effective exchange rate and hence external competitiveness. The Fiji dollar depreciated on average in real effective terms during the review period, reflecting somewhat Fiji's lower inflation relative to its trading partners. Foreign exchange reserves covered more than four months of imports.

¹³ RBF, *Exchange Control*. Viewed at: <https://www.rbf.gov.fj/markets/exchange-control/>; and *Exchange Control Guidelines*. Viewed at: <https://www.rbf.gov.fj/markets/exchange-control/ec-guidelines/>.

¹⁴ RBF (2021), *Annual Report 2020-2021*. Viewed at: <https://www.rbf.gov.fj/rbf-annual-report-august-2021-july-2022/>.

1.3 Developments in trade and investment

1.3.1 Trends and patterns in merchandise and services trade

1.21. The exposure of Fiji's economy to international merchandise trade (imports and exports) remains significant, although it fluctuated significantly during the review period. While the share of exports and imports in GDP stood at 97% in 2016 and 2017, this ratio jumped to over 100% in 2018 and 2019 before falling significantly in 2020 in the wake of the COVID-19 pandemic.

1.22. During the review period, Fiji's export performance was on a decreasing trend in comparison to the previous Review. While the COVID-19 pandemic put further pressure on the economy as a whole, and on export activities in particular, pre-COVID-19 figures show that the country was already exporting fewer products in comparison to the 2012-14 period. The downfall of the sugar industry seems to have contributed to the lower export performance.

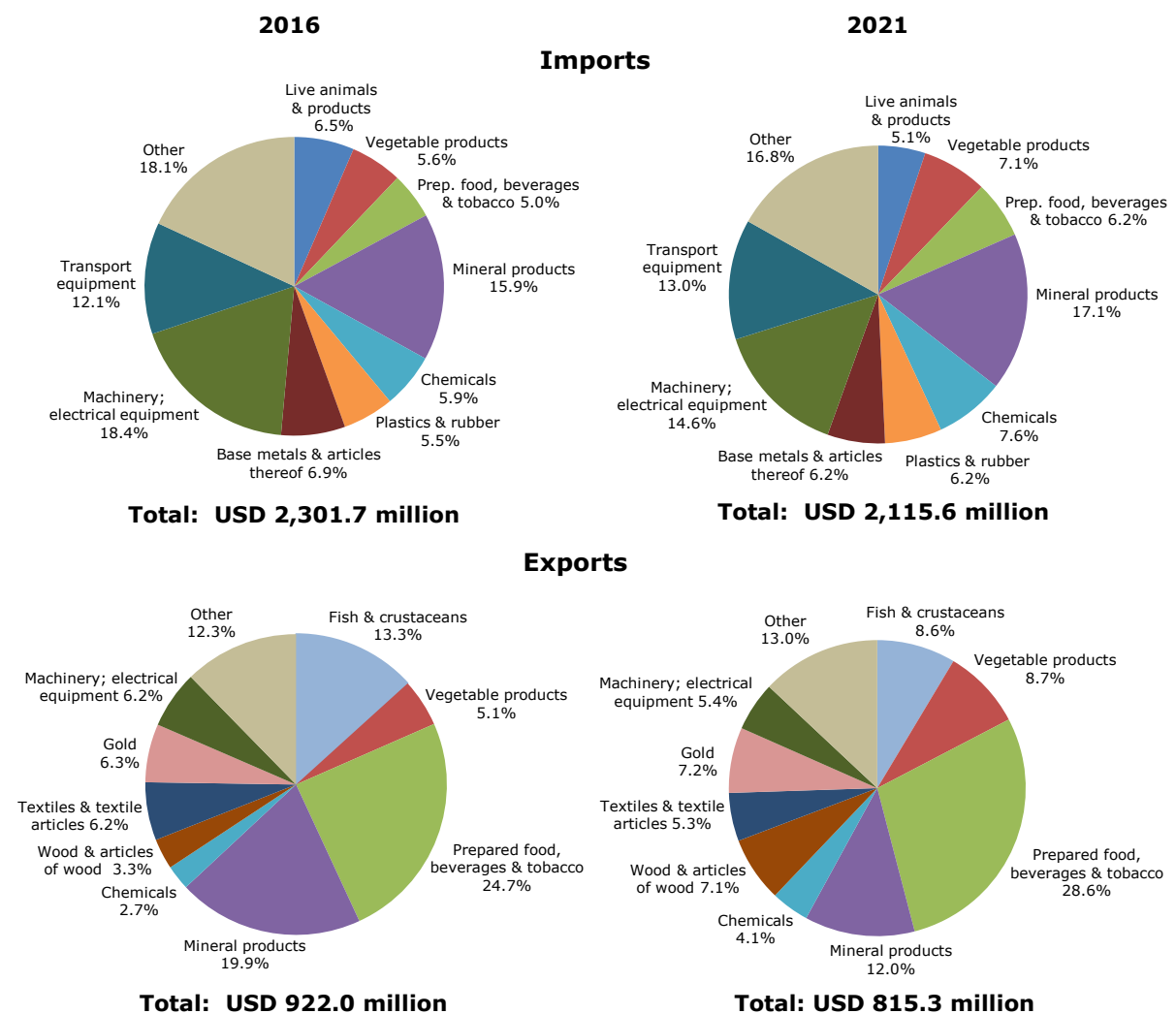
1.23. Re-export activities remain important in Fiji's international trade. They accounted for over 40% of total exports from 2016 to 2019, before falling to around 36% in 2020 and 32% in 2021. Petroleum products are the top re-exports (Table A1.1) as most Pacific Islands do not have the storage capacity to import petroleum and thus rely on Fiji as a trans-shipment hub, which first imports petroleum and then re-exports it to regional counterparts. Other major re-exports include fish and machinery and transport equipment.¹⁵

1.24. The composition of Fiji's total merchandise exports (including re-exports) has remained broadly unchanged. Primary agricultural products and agri-food preparations, in particular mineral water, fish products, sugar, coconut oil, fruits, and vegetables, remain the main export products (Chart 1.1 and Table A1.2). Exports of fish products, mainly preserved fish, were on a decreasing trend since 2016.

1.25. Mineral products, of which a significant share is re-exported, also play an important part in Fiji's export activities. In 2020 and 2021, however, their share stood at 13.8% and 12%, respectively (down from 22.1% in 2018 and 20.4% in 2019). Exports of wood, cork, and straw almost doubled between 2016 and 2021.

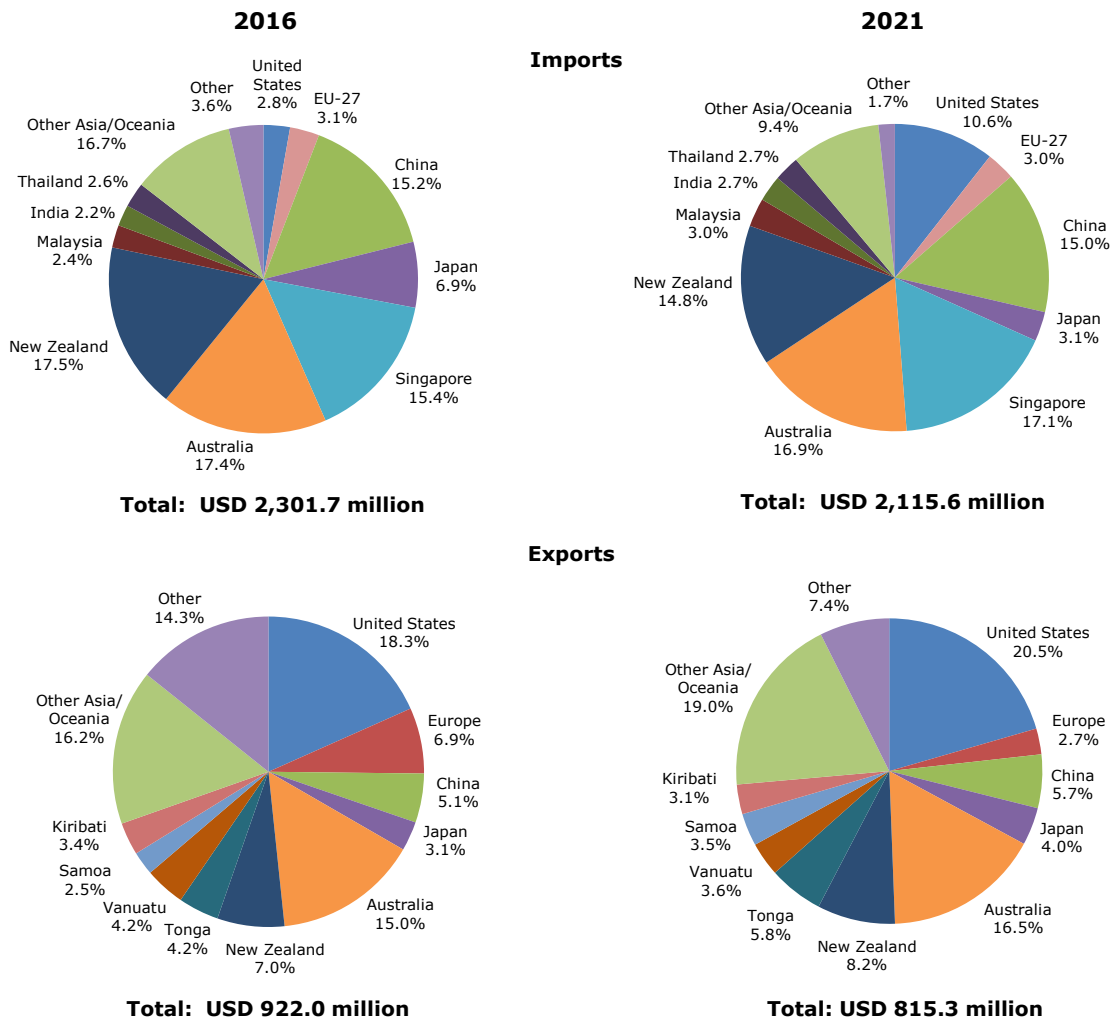
¹⁵ RBF, *Fiji and International Trade*. Viewed at: <https://www.rbf.gov.fj/fiji-and-international-trade/>.

Chart 1.1 Composition of merchandise trade by main HS section/chapter, 2016 and 2021



Source: WTO Secretariat calculations, based on UN Comtrade database.

1.26. The geographical distribution of exports has not undergone noticeable changes since the previous Review. The United States continues to be the top destination of Fiji's exports (Chart 1.2 and Table A1.3), followed by Australia. Trends in bilateral merchandise flows between Fiji and its top partners (United States, Australia, and New Zealand) have further consolidated.

Chart 1.2 Direction of merchandise trade, 2016 and 2021

Note: "Other" under exports includes "Bunkers" (ship stores and aircraft supplies), which consist mostly of fuels and food.

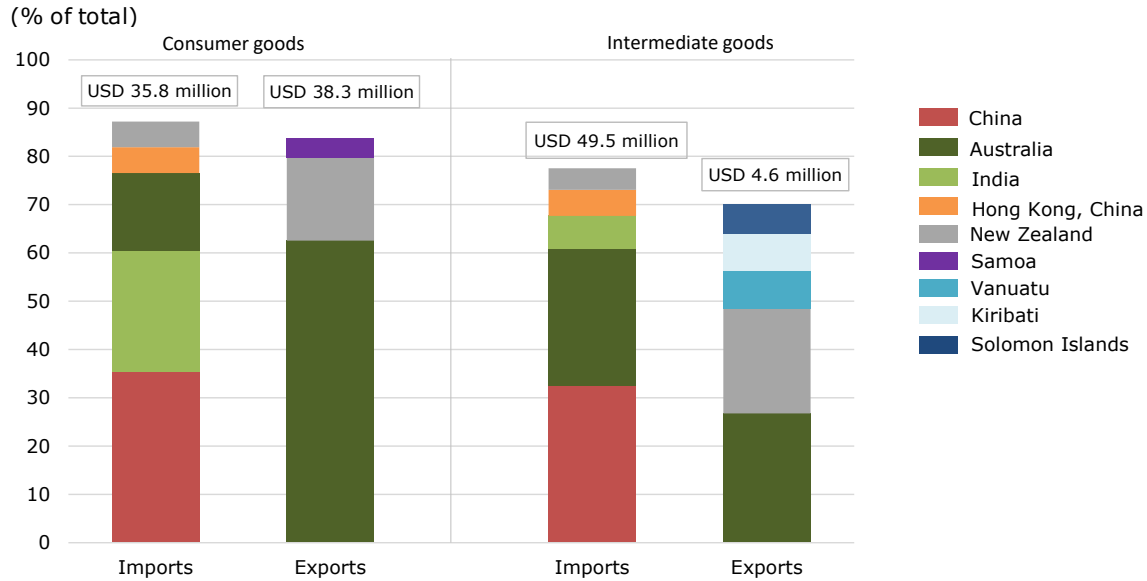
Source: WTO Secretariat calculations, based on UN Comtrade database.

1.27. During the review period, imports were broadly comparable in value with those of the previous Review, but with an increasing trend. The COVID-19 pandemic took a noticeable toll on import performance, with a significant drop in imports between 2019 and 2020. However, figures from 2021 show that import activities have started to firm up.

1.28. The composition of imports remained broadly the same during the review period. The leading import categories are food products, petroleum products, machinery and electrical equipment, and transport equipment (Chart 1.1 and Table A1.4).

1.29. The bulk of Fiji's imports continues to be sourced from Asia and Oceania, which supply some 85% of the country's demand (Chart 1.2 and Table A1.5). In 2019, however, France exceptionally accounted for over 13.9% of Fiji's imports, and in 2021, the United States accounted for 10.6%, up from 2.8% in 2016, due to increased imports of airplanes and other aircrafts and medical appliances.

1.30. Fiji actively participates in trade in intermediate goods. In aggregate, intermediate goods accounted for 36.2% of Fiji's total imports in 2021. The textiles and textile articles industries are the top recipients of intermediate goods, which are mainly sourced from China and Australia (Chart 1.3). Export figures indicate that in 2021, 89.2% of exported textiles and textile articles were consumer goods, suggesting that Fiji adds value domestically before exporting.

Chart 1.3 Main trading partners for textiles and textile articles (HS Section 11), by end-use, 2021

Source: WTO Secretariat calculations, based on UN Comtrade database.

1.31. In services trade, Fiji's traditional positive trade balance turned negative in 2020 and 2021, driven by pandemic-led restrictions on the international travel and transportation industry (Fiji's main services export categories) (Table 1.3).

Table 1.3 Composition of trade in services, 2016-21

	2016	2017	2018	2019	2020	2021
Total credit (USD million)	1,382.5	1,480.1	1,656.7	1,610.1	410.9	283.8
	(% of total credit)					
Manufacturing services on physical inputs owned by others	0.6	0.5	0.5	0.4	2.4	2.5
Maintenance and repair	0.3	0.4	0.2	0.2	0.9	1.1
Transportation	24.5	25.4	30.1	30.0	34.1	29.9
Passenger	19.6	20.4	24.2	23.8	20.9	11.0
Freight	1.2	1.2	1.1	1.3	3.3	5.5
Postal and courier services	3.8	3.8	4.8	4.9	10.0	13.5
Travel	63.5	63.6	58.5	59.7	36.7	12.2
Business	4.7	4.4	3.8	3.8	1.9	0.6
Personal	58.8	59.2	54.7	55.9	34.8	11.7
Construction	1.0	0.3	0.1	0.5	0.7	0.8
Insurance and pension	0.0	0.0	0.0	0.0	0.0	0.0
Financial service	0.4	1.0	0.3	0.3	0.6	0.8
Charges for the use of intellectual property	0.1	0.1	0.1	0.0	0.0	0.0
Telecommunication, computer and information	1.6	1.7	1.8	1.4	3.6	4.4
Other business services	1.7	1.0	1.4	1.1	4.0	8.1
Personal, cultural and recreational services	0.0	0.0	0.0	0.0	0.0	0.0
Government services	6.4	6.0	7.2	6.4	16.9	40.1
Total debit (USD million)	575.5	653.6	730.7	791.8	498.0	509.6
	(% of total debit)					
Maintenance and repair	0.6	0.5	0.4	0.4	0.5	0.7
Transportation	52.7	52.5	52.8	50.2	44.9	48.1
Passenger	1.8	1.6	1.5	1.2	0.4	0.2
Freight	42.3	38.9	39.8	37.0	34.3	39.8
Postal and courier services	8.6	12.1	11.5	12.0	10.3	8.2
Travel	18.9	19.6	20.3	20.8	15.0	14.4
Business	1.0	1.0	1.1	1.1	0.7	0.7
Personal	17.9	18.5	19.3	19.7	14.3	13.7
Construction	0.5	1.0	1.8	2.3	1.8	0.9
Insurance and pension	6.6	6.4	6.8	6.7	8.5	8.7
Financial service	0.2	0.2	0.2	0.3	1.5	1.4

	2016	2017	2018	2019	2020	2021
Charges for the use of intellectual property	1.0	1.2	0.9	0.8	1.2	0.4
Telecommunication, computer and information	6.0	6.1	4.9	4.5	6.3	6.6
Other business services	10.0	9.8	9.3	11.8	17.1	16.3
Personal, cultural and recreational services	0.5	0.5	0.7	0.4	0.5	0.4
Government services	2.8	2.2	1.9	1.9	2.8	1.9

Source: IMF, *IMF Data: Access to Macroeconomic & Financial Data*.

1.3.2 Trends and patterns in FDI

1.32. FDI continues to play an important role in Fiji's economy, as it contributes to growth through complementing domestic investment, as well as transfer of technology and expertise. During the review period, FDI inflows remained largely unchanged in 2016 and 2017; they picked up in 2018 in the context of a favourable business sentiment (Section 1.2) before easing in 2019 and 2020 in the wake of a gloomy global economic outlook and pandemic-related restrictions.

1.33. In 2021, Fiji attracted significant FDI, as interest rates were low globally, and the country and the global economy progressively recovered from the pandemic (Table 1.4).

Table 1.4 FDI, 2016-21

	2016	2017	2018	2019	2020	2021
FDI inflows (USD million)	389.8	386.2	471.0	321.0	240.5	401.0
FDI inward stock (USD million)	4,080.4	4,625.1	4,889.2	5,206.2	5,730.3	5,908.5
% of GDP	82.8	86.4	87.6	95.0	128.0	137.5
FDI outflows (USD million)	-16.4	-1.6	-3.6	-36.0	13.6	34.8
FDI outward stock (USD million)	96.0	98.0	90.3	53.9	71.3	103.3
% of GDP	1.9	1.8	1.6	1.0	1.6	2.4

Source: UNCTAD (2022), *World Investment Report 2022*.

1.34. According to the authorities, FDI is concentrated in the tourism and banking services sectors. In 2021, there was FDI in the energy industry, as Energy Fiji Ltd sold 44% of its shares to a Japanese consortium.

2 TRADE AND INVESTMENT REGIMES

2.1 General framework

2.1. Under the 2013 Constitution of the Republic of Fiji, sole legislative authority lies in a single-chamber Parliament with 55 seats. Parliamentarians are elected for a four-year period. The President is the head of State. The Prime Minister is the head of the Government, which exercises executive power. The judiciary is independent of the Parliament and the Government, with judicial power vested in the following courts: Supreme Court, Court of Appeal, High Court, Magistrates Court, and such other courts or tribunals as created by law.

2.2. There was a general election on 14 December 2022; following the election, a new coalition government was formed. As a result, *inter alia*, the Department of Town and Country Planning, the Department of Transport and Tourism Unit previously under the Ministry of Commerce, Trade, Tourism and Transport (MCTTT) was moved to other relevant ministries, and the previous MCTTT was reorganized as the Ministry of Trade, Co-operatives, and Small and Medium Enterprises (MTCSME); and the Prime Minister became responsible for foreign affairs, climate change, environment, civil service, information, public enterprises, and veteran affairs.¹

2.2 Trade policy formulation and objectives

2.3. The MTCSME is responsible for formulating and implementing Fiji's external trade policy. It is also responsible for industry, investment, co-operative businesses, micro and small enterprises, metrology, standards, and consumer protection, and all trade negotiations.² The MTCSME consults with trade-related agencies such as the Reserve Bank of Fiji (RBF), and other ministries including the Office of the Prime Minister (which is in charge of areas including public enterprises, climate change, and environment); the Ministry of Foreign Affairs; the Ministry of Agriculture; the Ministry of Sugar Industry; the Ministry of Fisheries; the Ministry of Forestry; the Ministry of Rural and Maritime Development; the Ministry of Communications; the Ministry of Lands and Mineral Resources; the Ministry of Employment, Productivity and Industrial Relations; the Ministry of Public Works, Transport, and Meteorological Services; the Ministry of Tourism and Civil Aviation; and the Ministry of Finance, Strategic Planning, National Development and Statistics. Consultations are carried out mainly through semi-regular meetings of the Cabinet-mandated inter-ministerial Trade and Development Committee (TDC).³

2.4. Formally and informally, the private sector and civil society continue to interact with the Government through, *inter alia*, consultations concerning the national budget, and the Fiji Revenue and Customs Service Business Reform Committee and the Macroeconomic Technical Subcommittee (with semi-annual consultations with the private sector in preparation for the National Accounts forecasting rounds). The Fiji Trade Policy Framework (FTPF) 2015-2025, issued in 2015, continues to set out a structure for such interaction and for the implementation of its policy recommendations and other trade-related issues. The FTFP 2015-2025 is currently under review; the authorities indicate that it will be finalized this year.

2.5. The National Development Plan, issued in 2017, sets out both short-term (2017-21) and long-term (2017-36) plans with a view to pursuing progressive, vibrant, and inclusive society. The Plan is currently under review.

2.6. The National Economic Summit is to be held on 20-21 April 2023; the aim of the Summit is to create a collective national vision with adequate sectoral policies and an implementation framework for the Government's plan to chart a path towards economic recovery. The Summit is also to set out the foundation of the upcoming National Development Plan. The authorities consider that the Summit is a consultative and collaborative approach towards policy formulation; the thematic areas

¹ Parliament of the Republic of Fiji, *Members of Parliament*. Viewed at: <https://www.parliament.gov.fj/members-of-parliament/>.

² Within the MTCSME, the Micro, Small and Medium Enterprise (MSME) Fiji is responsible for formulating, implementing, and enhancing new and existing policies and strategies for the development of MSMEs, such as facilitating business training, mentoring, advisory, incubation services, and access to finance, as well as monitoring and evaluating the implementation of MSME-related projects.

³ There is a "focused" TDC, which comprises government representatives, while an "extended" TDC includes private-sector stakeholders.

of macroeconomic management, key growth sectors, governance and reforms, human development, rural and outer island development, land-based activities, marine, indigenous participation in water resource management, transport, and energy are identified to achieve the Government's overarching objective of inclusive economic security, social justice, conscientious governance, political stability, indigenous participation in development, and environmental sustainability.

2.7. The National Export Strategy continues to serve as a guideline to achieve sustainable growth in export competitiveness, value addition, and diversification; the Strategy is currently under review, and the National Economic Summit sets the foundation of the upcoming Strategy. The Strategy, administered and implemented by the MTCSME, provides grant funding targeted to businesses that are currently exporting or will export.

2.8. Since 2016, new trade-related laws have been adopted in several areas (Table A2.1). Fiji's legislation is published in the Government Gazette, and on an online platform of laws, which was launched in 2016.⁴

2.3 Trade agreements and arrangements

2.3.1 WTO

2.9. Fiji is an original Member of the WTO. It grants at least MFN treatment to all of its trading partners. It is neither a party to the Information Technology Agreement (ITA) nor to the plurilateral Agreements on Government Procurement (GPA) and Trade in Civil Aircraft.

2.10. On 1 May 2017, Fiji ratified the Agreement on Trade Facilitation (TFA) and Amendment to the Agreement on Trade-Related Aspects of Intellectual Property Rights (TRIPS). As at September 2022, Fiji fulfilled 97.1% of its TFA implementation commitments. The two remaining commitments concern test procedures for goods declared for importation (definitive implementation date: 31 December 2023)⁵ and the establishment of a single window (31 December 2025).⁶ Fiji has established a Test Procedures Working Group under the National Trade Facilitation Committee, which has developed a Position Paper and an initial work plan to undertake a scoping and gap analysis. The authorities indicate that Fiji still requires assistance to develop the second testing requirements, such as specifics of laboratory requirements and accreditation to achieve compliance⁷; Fiji also requires technical assistance and funding to implement a National Single Window System. The authorities also state that while the development of a Single Window Blueprint is currently in progress with the assistance of UNCTAD, further financial and technical assistance is required to roll out the implementation of the Single Window in Fiji.

2.11. The authorities state that Fiji fully supports, and is committed to, the multilateral trading system. Its main interests include further liberalizing trade in agricultural products by substantially reducing domestic support by developed countries, eliminating export subsidies by developed countries, and reducing tariffs and non-tariff barriers (NTBs) on products of export interest to Fiji; reducing or eliminating tariffs and NTBs on industrial products, particularly of export interest for developing countries; reaching a satisfactory agreement on GATS mode 4 (labour mobility); clarifying and improving rules on contingency trade measures, regional trade agreements (RTAs), and the dispute settlement understanding; strengthening all special and differential treatment provisions by making them precise, effective, and operational; and further protection of intellectual property rights, and implementation of trade facilitation reforms. In WTO negotiations, Fiji is part of the Small, Vulnerable Economies (SVEs) group, the ACP Group, Friends of Fish, and one of the so-called "W52" sponsors.⁸ At the 12th WTO Ministerial Conference (MC12), Fiji, as the Chair of the Pacific Group, urged WTO Members to make progress on the Fisheries Subsidies negotiations and in

⁴ Office of the Attorney-General, *The Laws of Fiji*. Viewed at: <https://www.laws.gov.fj>.

⁵ TFA, Article 5.3.

⁶ TFA, Article 10.4.

⁷ The authorities state that initial assistance has been provided by World Bank Group, New Zealand Ministry of Primary Industries (NZMPI), and Pacific Horticultural and Agricultural Market Access Program (PHAMA Plus).

⁸ Fiji sponsors a proposal for "modalities" in negotiations on geographical indications (establishing a multilateral register for wines and spirits, and extending the higher level of protection beyond wines and spirits) and "disclosure" (requiring patent applicants to disclose the origin of genetic resources and traditional knowledge used in the inventions).

discussions on WTO responses to the COVID-19 pandemic to help combat the ongoing pandemic, transition into recovery mode, and prepare for future pandemics.⁹

2.12. The authorities state that Fiji played a major role in achieving the Partial Agreement on Fisheries Subsidies at MC12. As fisheries is one of the largest economic sectors in the Pacific region, and is intertwined with Fiji's culture, day-to-day living, and the livelihood and survival of the people of Fiji, it considered that any multilateral agreement on fisheries should have the interest of the Pacific Island countries at the front and centre, not as an afterthought. The authorities are proud that Fiji had a major influence in delivering the Fisheries Subsidies Agreement, agreed at MC12, as an historic achievement.

2.13. The authorities also state that Fiji has taken the initiative to bring to the forefront the impact of climate change through its leadership at various international fora; it introduced the Informal Dialogue on Plastic Pollution and Environmentally Sustainable Plastic Trade (IDP) at the Committee on Trade and Environment in 2020. Fiji also participates in the Trade and Environmental Sustainability Structured Discussions and the Fossil Fuel Subsidies Reform Initiative.

2.14. Fiji was not a complainant, respondent, or third party to any dispute during the review period.

2.15. During the review period, Fiji made several WTO notifications (Table 2.1). As at 14 February 2023, some notifications concerning, *inter alia*, agriculture, anti-dumping measures, subsidies and countervailing measures, and import licensing remained outstanding.¹⁰

Table 2.1 Fiji's notifications, 2016-23

Agreement	Requirement	Periodicity	WTO documents
GATT 1994			
Article XXIV:7(a)	RTA	<i>Ad hoc</i>	WT/REG408/N/1, 26 October 2020
Agreement on Agriculture			
Articles 10 and 18.2	Export subsidies (ES:1)	Annual	G/AG/N/FJI/12, 4 March 2016
Articles 18.2 and 18.3	Domestic support (DS:1)	Annual	G/AG/N/FJI/13, 9 March 2016
Agreement on Trade Facilitation			
Articles 15 and 16	Notification on category A, B and C commitments	<i>Ad hoc</i>	WT/PCTF/N/FJI/1, 23 January 2017
Article 16.1(b)	Definitive dates for implementation of commitments (category B and C)	<i>Ad hoc</i>	G/TFA/N/FJI/1, 7 June 2018 G/TFA/N/FJI/1/Add.1, 30 August 2019
Article 22.3	Requests for trade facilitation-related assistance and support for capacity-building	<i>Ad hoc</i>	G/TFA/N/FJI/2, 10 July 2019
Agreement on Trade-Related Aspects of Intellectual Property Rights			
Article 63.2	Laws and regulations, and final judicial decisions and administrative rulings of general application relating to the TRIPS Agreement	<i>Ad hoc</i>	IP/N/1/FJI/2,3,4,7, 14 March 2016 IP/N/1/FJI/1,5,8, 15 March 2016 IP/N/1/FJI/6,9, 16 March 2016
Agreement on Rules of Origin			
Paragraph 4 of Annex II	Notification of existing or new preferential rules of origin	<i>Ad hoc</i>	G/RO/N/211, 4 February 2021

Source: Compiled by the WTO Secretariat based on notification documents.

2.3.2 Regional and preferential agreements

2.16. Fiji views regional integration as a key stepping stone towards fuller participation in the increasingly liberalized global economy. As a Pacific Island country with a small market, Fiji considers that its RTAs will help increase market access and investment inflows in support of its economic diversification efforts.

⁹ WTO document WT/Min(22)/14, 13 June 2022.

¹⁰ WTO documents G/L/223/Rev. 30, 23 February 2023.

2.17. Fiji has five RTAs in force: (i) South Pacific Regional Trade and Economic Cooperation Agreement (SPARTECA); (ii) Melanesian Spearhead Group (MSG); (iii) Pacific Island Countries Trade Agreement (PICTA); (iv) Interim Economic Partnership Agreement (IEPA) EU–Pacific States; and (v) Interim Economic Partnership Agreement between the United Kingdom–Pacific States, which was signed in March 2019 and has been applied provisionally ever since.

2.18. During the review period, on 14 March 2019, Fiji signed an Interim Economic Partnership with the United Kingdom to replicate the IEPA with the European Union, with a view to avoiding any trade disruption due to the United Kingdom's withdrawal from the European Union. The Agreement has been applied on a provisional basis since signature, and fully entered into effect on 1 January 2021 when the United Kingdom's transition period ended. Some of the main features of RTAs that were signed or entered into force are summarized in Table 2.2.

Table 2.2 RTAs that were signed or entered into force during the review period

Cook Islands–Fiji–Kiribati–Micronesia–Nauru–Niue–Papua New Guinea–Samoa–Solomon Islands–Tonga–Tuvalu–Vanuatu	
Title	Pacific Island Countries Trade Agreement (PICTA)
Parties	Cook Islands, Fiji, Kiribati, Micronesia, Nauru, Niue, Papua New Guinea, Samoa, Solomon Islands, Tonga, Tuvalu, and Vanuatu
Date of signature/entry into force	18 August 2001/13 April 2003 (although dates of signature and of entry into force are specific to each PICTA member)
End of transition period	2021
Services	Not included. However, it is expected that the coverage of PICTA will expand to include trade in services, movement of capital and labour
Selected features	Covers trade in goods except trade in alcohol and tobacco products. Government procurement is also excluded. The Agreement also provides a list of exceptions to ensure that the Forum Island Countries (FICs) can continue to restrict trade for the usual range of reasons generally allowed in international trade agreements. This includes the prohibition of dangerous goods (e.g. explosives or restriction of trade necessary to protect human or animal health)
WTO consideration status	Factual presentation not distributed
WTO document series	WT/COMTD/N/29, 17 September 2008; and WT/COMTD/21, 7 October 1999
Papua New Guinea/Fiji/Samoa/Solomon Island-European Union	
Title	European Union (EU)-Pacific States Interim Economic Partnership Agreement
Parties	European Union, Fiji, Papua New Guinea, Samoa, Solomon Islands
Date of signature/entry into force	European Union and Papua New Guinea signed on 30 July 2009, Fiji on 11 December 2009, Samoa on 21 December 2018, Solomon Island on 17 May 2020/ Provisional application started on 20 December 2009 for the European Union and Papua New Guinea, on 28 July 2014 for Fiji, on 21 December 2018 for Samoa, and on 17 May 2020 for Solomon Island.
End of transition period	2023 (Papua New Guinea and Fiji), 2037 (Samoa and Solomon Islands)
Services	Not included
Selected features	Customs and trade facilitation; TBT; SPS; dispute settlement; and institutional provisions. In 2017, the EU preferential purchase agreement on sugar from Fiji expired.
WTO consideration status	Factual presentation not distributed
WTO document series	WT/REG302, WT/REG408
Papua New Guinea/Fiji-United Kingdom	
Title	United Kingdom (UK)-Pacific States Interim Economic Partnership Agreement
Parties	Fiji, Papua New Guinea, Samoa, Solomon Islands, United Kingdom
Date of signature/entry into force	Signed between the United Kingdom, Papua New Guinea, and Fiji on 14 March 2019, and between the United Kingdom, Samoa, and Solomon Islands on 22 December 2020/ Entered into force on 1 January 2021 (Provisionally applied between the date of signature and the date of entry into force)
End of transition period	2023
Services	Not included
Selected features	Replicates European Union (EU)-Pacific States Interim Economic Partnership Agreement
WTO consideration status	Factual presentation not distributed
WTO document series	WT/REG413, WT/REG414, WT/REG415

Source: Compiled by the WTO Secretariat, based on RTA factual presentations and information provided by the authorities.

2.19. The IEPA is the agreement that entered into provisional application on 28 July 2014 for Fiji. It provides duty-free and quota-free market access to all products from Fiji. It also has provisions to allow investors based in Fiji to use fish caught using any boats (global sourcing) and export it to the European Union, provided the fish is landed and processed (canned) in Fiji. Fiji incrementally opens its market to 87% of imports from the European Union during the transition period.¹¹ Fiji continues to negotiate a comprehensive Economic Partnership Agreement with the European Union to secure more preferential access to the EU market.

2.20. In general, the implementation of PICTA started in 2007. However, only Fiji and 6 of PICTA's other 14 contracting members (i.e. Cook Islands, Niue, Samoa, Solomon Islands, Tuvalu, and Vanuatu) are currently implementing the agreement. A review of PICTA Rules of Origin (RoO) was completed in May 2020 with a view to facilitating intra-regional trade further. One of the recommendations was to undertake a production mapping assessment confined to an export potential analysis. The purpose of the product specific mapping (PSM) assessment is to help inform the design of a modified RoO regime under PICTA that is more flexible and the least trade diverting, and creates minimal negative economic effects for members.

2.21. SPARTECA is a non-reciprocal and non-discriminatory trade agreement whereby Australia and New Zealand provide duty-free access to all products originating in the 14 Forum Island Countries (FICs)¹², except sugar in the case of Australia. SPARTECA has played an integral part in Fiji's development.

2.22. The authorities state that no trade data specific to Fiji's RTA partners are collected.

2.3.2.1 Other arrangements

2.23. On 27 May 2022, Fiji joined the Indo-Pacific Economic Framework for Prosperity (IPEF) as a founding member. Fiji is currently negotiating the IPEF with Australia, Brunei Darussalam, India, Indonesia, Japan, the Republic of Korea, Malaysia, New Zealand, the Philippines, Singapore, Thailand, the United States, and Viet Nam.

2.24. The participating members of the IPEF started the negotiation on the legal text in December 2022. Fiji sees the IPEF as a unique, but progressive framework that has sustainability, resilience, and inclusive prosperity at its core.¹³ Fiji also acknowledges that the IPEF does not involve traditional market access commitments but includes the key components that can make trading across borders easier.

2.25. On 16 October 2020, Fiji signed a Trade and Investment Framework Agreement (TIFA) with the United States.¹⁴ The Agreement entered into force upon the date of its signature. The TIFA creates a platform on which both contracting countries consult on a wide range of issues relating to trade and investment. The two sides also aim to explore ways to increase trade in goods and services, and to encourage further investment between the two countries.

2.26. On 25 September 2019, Fiji, together with Costa Rica, Iceland, New Zealand, and Norway, announced the commencement of a negotiation of the Agreement on Climate Change, Trade and Sustainability (ACCTS). In January 2020, Switzerland also joined the negotiation. ACCTS will include measures such as (i) the removal of tariffs on environmental goods; (ii) the establishment of new and binding commitments for environmental services; (iii) establishment of disciplines to eliminate subsidies on harmful fossil fuel; and (iv) creation of guidelines to inform the development and implementation of voluntary eco-labelling programmes and mechanisms.

¹¹ European Commission, *Countries and Regions: Pacific*. Viewed at: https://policy.trade.ec.europa.eu/eu-trade-relationships-country-and-region/countries-and-regions/pacific_en.

¹² The FICs' combined population is about 9 million people.

¹³ MTCSME (2022), "Ministers of the Indo-Pacific Economic Framework Launch Ministerial Statements", 11 September. Viewed at: <https://www.mcttt.gov.fj/fiji-minister-launches-the-indo-pacific-economic-framework-ipef-ministerial-statements/>.

¹⁴ Government of Fiji (2020), "Virtual Signing of the United States of America – Fiji Trade and Investment Framework Agreement (TIFA)", 16 October. Viewed at: <https://www.fiji.gov.fj/Media-Centre/News/VIRTUAL-SIGNING-OF-THE-UNITED-STATES-OF-AMERICA-FI>.

2.27. Fiji is a member of the Pacific Islands Forum (PIF)¹⁵, which aims to increase sustainable regional trade and investment to promote economic growth by lowering trade barriers among members.

2.28. Fiji is not a member of the Global System of Trade Preferences (GSTP) and provides no preferential tariff treatment to developing countries or least developed countries.

2.29. During the review period, Fiji received Generalized System of Preferences (GSP) treatment from Armenia, Australia, Belarus, Canada, Iceland, Japan, Kazakhstan, New Zealand, Norway, the Russian Federation, Switzerland, Türkiye, and the United States.¹⁶

2.4 Investment regime

2.30. Fiji has put in place a target to maintain total investments at 25% of GDP¹⁷, and to increase private-sector investments to over 15% of GDP by 2036. The Government is focused on having a dynamic private sector, which invests, innovates, and creates jobs. Investments, especially inward FDI, can facilitate the entry of capital, technology and know-how, diversification into new sectors and activities, and foster the integration of domestic firms into global value chains, among other benefits.

2.31. Investment Fiji, a statutory body of the MTCsME, is Fiji's investment promotion agency (IPA). Investment Fiji underwent a structural reform under Investment Fiji Act 2022 (adopted on 7 April 2022 and entered into force on 1 August 2022).¹⁸ Investment Fiji now focuses primarily on investment promotion and export expansion, while its regulatory functions are to be transferred to the relevant competent authorities.¹⁹

2.32. During the review period, there were several changes to Fiji's investment-related legislation. On 3 June 2021, the Parliament adopted the Investment Act 2021, replacing the Foreign Investment Act 1999 and other subsequent acts and regulations. The new Act entered into force on 1 August 2022. According to the authorities, the Act was framed on international benchmark, and made Fiji the first in the Pacific Island countries to have such forward-looking investment legislation. The Act was to attract efficiency-seeking investors, who would invest with a focus on export. The Act established a system to give equal treatment of all investors, domestic or foreign. It introduced obligations of both the state and investors, and a broader range of treatment and protection for foreign investors such as national treatment and most-favoured-nation treatment (Article 8)²⁰; minimum standard of treatment including fair and equitable treatment (Article 9); freedom to manage one's own business (Article 10); freedom from compulsory or arbitrary acquisition of property (Article 11); and free transfer of funds (Article 14). The Act removed the requirement for foreign investors to apply for a Foreign Investment Registration Certificate and eliminated the requirement for an IPA to do screening of investors. The authorities consider that the new investment regime provides simple and easy-to-understand processes.

2.33. The Investment Act 2021 also introduced an Investment (Reserved & Restricted Activities) Regulation 2022, which the authorities consider is simple and focused. They state that rationale for the Reserved and Restricted List was to allow for investments across all sectors, with reservation or restrictions that would allow for domestic MSMEs to thrive in the same sector as a foreign investor. With the removal of screening for foreign investors, a requirement for reporting to determine whether the foreign investor was complying with the minimum investment threshold was established. For example, the minimum investment threshold of FJD 300,000 was introduced by the Investment Act to eliminate non-genuine investors. The authorities consider that the reporting is

¹⁵ PIF includes Australia, New Zealand, and the 14 FICs. French Polynesia, New Caledonia, and Tokelau are associate members, while American Samoa, Guam, Timor-Leste, and Wallis and Futuna are special observers. PIC Secretariat. Viewed at: <http://www.forumsec.org.fj>.

¹⁶ WTO PTA database. Viewed at: <http://ptadb.wto.org/>.

¹⁷ MTCsME, *Investment Policy Statement*. Viewed at: <https://www.mctt.gov.fj/division/trade/investment-policy-statement/>.

¹⁸ This repealed the Investment Fiji Act 1980.

¹⁹ International Finance Cooperation (2022), "Investment Fiji Shifts Focus to Attract Investors and Drive Exports After IFC Technical Assistance", 8 April. Viewed at: <https://pressroom.ifc.org/all/pages/PressDetail.aspx?ID=26928>.

²⁰ Such a treatment is given with respect to the acquisition, expansion, management, conduct, operation, sale, or other disposition of investment in Fiji, subject to the Act or any other written law.

important for Investment Fiji to provide aftercare to investors, as in the reports the investors could identify any challenges, especially with approval agencies; the new Act made it simpler for investors to register their investment in Fiji and the reporting requirements assists Investment Fiji in maintaining a database of sectors in which investment is high, sectors where more awareness and marketing is required and which countries to target for investment promotion.

2.34. Under the new Act, prior to the commencement of the business, an investor, domestic or foreign, must apply for and obtain approval from the following agencies; the Registrar of Companies for reservation and registration of a company/business name, and the Fiji Revenue and Customs Service for the registration of tax and VAT. Foreign investors must apply for and obtain approval from the RBF for the issue of capital/shares and confirmation on remittance of funds; and Fiji National Provident Fund for employer/employee registration, and only apply with the Department of Immigration if the investor wishes to enter Fiji. The foreign investor may also require an approval/permit/licence from other relevant agencies depending on the scope of the business.

2.35. To implement the Investment Act 2021, Fiji further adopted regulations, all of which entered into force on 1 August 2022. Investment (Reserved and Restricted Activities) Regulation 2022 stipulates that, apart from the restricted activities for foreign investors, the minimum investment threshold of FJD 300,000 applies.²¹ As at August 2022, the Regulation designates no reserved activity and nine restricted activities (Table 2.3). The list of reserved and restricted activities in the regulation must be reviewed by the Minister of the MTCSME every two years.²²

Table 2.3 List of restricted activities

Fiji Standard Industrial Classification (FSIC) 2010 Coding	Restricted activity	Minimum investment threshold (FJD)	Conditions
Group 451; 452; 453; 454; 471; 472; 473; 474; 475; 476; 477; 478; 479	Retail business	500,000	
n.a.	Nightclub, other than those operated within the vicinity of a hotel or resort	500,000	
n.a.	Liquor bar, other than those operated within the vicinity of a hotel or resort	500,000	
Subclass 02201	Logging	500,000	Foreign investor must undertake value adding
Group 031	Fishing (not including fish processing)	1,500,000	
Subclass 12001	Manufacturing of tobacco products	1,000,000	Foreign investor must use at least 75% locally grown and processed tobacco in all domestic cigarette production
Subclass 55101	Homestay and backpackers – motels, motor hotels, guesthouses, bed and breakfast units, visitor flats and bungalows, holiday homes, chalets, housekeeping cottages and cabins, youth hostels and mountain refuges	1,000,000	Development or purchase of individual units relative to timeshare, holiday homes, villas and apartments are exempted from the minimum threshold of FJD 1,000,000

²¹ The Minister of the MTCSME may provide a waiver of the minimum investment threshold to a foreign investor based on an economic analysis or assessment of skills (Article 3.3 of the Regulation).

²² Investment Act 2021, Article 5.5.

Fiji Standard Industrial Classification (FSIC) 2010 Coding	Restricted activity	Minimum investment threshold (FJD)	Conditions
Subclass 55101	Hotels or resorts Suite/apartment hotels Timeshare units	2,000,000	Development or purchase of individual units relative to timeshare, holiday homes, villas and apartments are exempted from the minimum threshold of FJD 2,000,000
Subclass 68101 & 68201	Real estate activities, excluding real estate agents	2,000,000	

n.a. Not applicable.

Source: Schedule of the Investment (Reserved and Restricted Activities) Regulations 2022, and Investment (Reserved and Restricted Activities) (Amendment) Regulations 2022.

2.36. Investment (Foreign Investor Reporting) Regulation 2022 obliges foreign investors to complete an online report within three months of incorporation, with a view to supporting investors in a post-investment stage by sharing data between relevant authorities. Investors are required to describe, *inter alia*, their intended business activities and any foreign business ownership. The MTC SME and Investment Fiji must treat any data or information as confidential and must only use the data or information for statistical and analytical purposes or to offer aftercare and other services to assist foreign investors. In addition, any data or information published by the Ministry and Investment Fiji will need to be in an aggregate form.²³

2.37. The new Act provides that the Ministry may prohibit FDI for the protection of national security interests. A foreign investor intending to invest in a sector that may have potential effects on certain fields must submit a proposal of the investment to the Minister for an approval to invest in that sector. Such sectors relate to (i) critical infrastructure such as energy, transport, communication, data storage, or financial infrastructure; (ii) critical technologies such as artificial intelligence, robotics, semiconductors, technology with potential dual use application, cybersecurity or nuclear technologies; (iii) the security of supply of critical inputs; and (iv) access to sensitive information or the ability to control sensitive information. Accordingly, Investment Regulation 2022 provides detailed process of this prior screening system.

2.38. In 2019, Fiji launched the bizFIJI portal; according to the authorities, it provides, for the first time, a single platform for, *inter alia*, application processes for investment. Project bizFIJI 2.0 is currently being established as an online application and approvals platform. The authorities state that such changes are being introduced and implemented to streamline the processes and improve the turnaround times to make Fiji a conducive business environment; these reform initiatives are complemented by the necessary policy and legislative changes where required to boost the growth of the economy and ease business processes through digital transformation.²⁴

2.39. Fiji has traditionally offered a wide range of investment incentives to both domestic and foreign investors (Section 3.3.1).

2.40. Fiji has concluded double taxation avoidance agreements with Australia, India, Japan, the Republic of Korea, Malaysia, New Zealand, Papua New Guinea, Qatar, Singapore, the United Arab Emirates, and the United Kingdom, and is negotiating similar agreements with the United States.²⁵

2.41. Fiji is a signatory to the Convention on the Settlement of Investment Disputes Between States and Nationals of Other States (also known as ICSID Convention) and a member of the World Bank Multilateral Investment Guarantee Agency. As for investor-state dispute settlement, the Investment Act 2021 stipulates that such disputes must be settled promptly and amicably through consultations

²³ According to the authorities, this is not yet finalized.

²⁴ For example, to streamline processes relating to starting a business, an analysis was done to remove redundant processes, which led to the repeal of the Business Licensing Act 1976 in August 2020.

²⁵ Investment Fiji. Viewed at: <http://www.investmentfiji.org.fj/>.

and negotiations between the parties (Article 19.1). At the same time, the Act also allows for recourse to international arbitration if both parties agree so (Article 19.4). In this case, the International Arbitration Act 2017 applies. This Act makes provisions for the conduct of international arbitration based on the model law adopted by the United Nations Commission on International Trade Law.²⁶ The Act implements the United Nations Convention on Recognition and Enforcement of Foreign Arbitral Awards 1958 (also known as the New York Convention), which Fiji ratified in 2010.

2.42. Fiji's RTAs in force do not have investment provisions.

²⁶ UNCTAD Investment Policy Hub, *Fiji Enacts the International Arbitration Act 2017*. Viewed at: <https://investmentpolicy.unctad.org/investment-policy-monitor/asures/3199/fiji-enacts-the-international-arbitration-act-2017>.

3 TRADE POLICIES AND PRACTICES BY MEASURE

3.1 Measures directly affecting imports

3.1.1 Customs procedures, valuation, and requirements

3.1. The main legislation covering customs procedure and documentation in Fiji remains the Customs Act 1986 (revised in 2022), the Customs Tariff (as amended in 2022), and the Customs Excise (as amended in 2022). The Fiji Revenue and Customs Service (FRCS) oversees all customs matters including policy formulation, administration, and enforcement of customs procedures and legislation in Fiji.

3.2. The FRCS underwent a digital and organizational transformation over the period February 2016 to end-2022 to meet future challenges of increased traffic and trade as well as to take advantage of digitalization opportunities. Benefits are expected to include reduced regulatory costs, more efficient collection of receipts, and increased security through effective controls.

3.3. During the review period, certain concrete trade facilitation initiatives were undertaken and some automated in ASYCUDA World (Box 3.1).

3.4. Customs agents and commercial importers wishing to import into Fiji goods for commercial purposes must register with the FRCS and have a valid tax identification number (TIN).¹ A Single Administrative Document (SAD), costing FJD 7.15², to declare commercial goods of over FJD 100³ is required; it may be submitted electronically or manually. Where applicable, the supporting documentation must also include a certificate of origin, an import licence and/or permit, or an SPS certificate.

3.5. Importers may fulfil customs formalities themselves or engage the services of professional customs brokers. In March 2023, there were 89 licensed customs brokers in Fiji. According to the authorities, customs brokers compete freely; their fees are not regulated and there are no geographic restrictions on their operations within Fiji. In addition to an annual licence fee, customs brokers are required to provide a security of FJD 1,000 to ensure revenue protection and compliance with Fiji's customs legislation.

3.6. Import and export declarations are assigned into one of the four selectivity lanes: green for immediate release, blue for post-clearance audit, yellow for documentary check, and red for documentary and physical checks. The assessment methodology is based on a matrix of risk indicators built into the ASYCUDA World system, comprising the importer's and the customs broker's characteristics and prior record, as well as the consignment's nature and origin. A random selection component is also incorporated. Approximately 80% of declaration are facilitated through green and blue lanes.

3.7. Temporary importation, re-importation, and bonded and customs controlled licensed areas (warehouses) are allowed.⁴ Goods are released as soon as the customs declaration is processed, and duty is collected. In case of disagreement with the FRCS's decisions on all customs matters, importers or exporters can lodge an appeal to the Court of Review, and its decisions may be appealed to the High Court. The Objection Review Team (ORT) is a new unit with FRCS where any importer or exporter may be able to seek recourse if not satisfied with its judgement before resorting to the above process. In 2020 there were six appeals to the ORT.

3.8. Fiji notified its category commitments under the Agreement on Trade Facilitation (TFA) in January 2017.⁵ It presented to the WTO its instrument of acceptance of the TFA on 1 May 2017. As

¹ Commercial importers are importers who run businesses in Fiji or abroad. Goods imported by commercial importers are for sale in the local market or for commercial purposes.

² The list of fees and charges is available on the FRCA website. Viewed at: www.frca.org.fj.

³ Products for personal use worth at least FJD 1,000 must be declared.

⁴ In the case of temporary imports, an acceptable deposit or security must be provided. For re-imports, any overseas materials used in the goods will be levied the tariff applicable to them based on their added cost.

⁵ WTO document WT/PCTF/N/FJI/1, 23 January 2017.

at March 2023, Fiji's implementation record covered approximately 97.1% of all TFA measures.⁶ The two remaining commitments concern test procedures for goods declared for importation (definitive implementation date: 31 December 2023)⁷ and the establishment of a single window (31 December 2025)⁸ (Section 2.3.1).

Box 3.1 Selected customs modernization measures 2016 23

1. **Automation of the extra attendance (C1)** was automated in the ASYCUDA World system (AWS) in 2017, which includes both application of the C1 by the Traders/Customs Agents/Shipping Agents/Console Freight stations and the payment.
2. **Authorized economic operator (AEO)** Pilot was launched in June 2018. The implementation of the programme commenced after the AEO was launched in January 2019. Other trade facilitation agencies on board with the FRCS are the Ministry of Health and Medical Services, the Biosecurity Authority of Fiji (BAF), and Fiji Ports Terminal. Moreover, there are seven companies under the AEO programme.
3. **Single manifest submission (sea port manifest) for other agencies** – FRCS has provided MOH, BAF, and Fiji ports terminal with access to the AWS, for viewing and flagging the consignments on the system, which was previously done manually. Agencies no longer require copies of the paper manifest to be submitted. However, only BAF still requires a copy of the paper manifest, to run it in parallel with the system for the time being to compile data for risk profiling/risk management.
4. **Mobile X-ray container scanner** – The scanner has been installed at Suva port and was inaugurated on 23 April 2019. The scanner enables joint inspection to be conducted with limited physical intervention and thereby reduce the time required to clear consignments.
5. **Offence module** – Issuance of infringement/offence reporting and detention of goods was automated in the AWS in 2019.
6. **Abolishment of stamp duty** – Effective from 1 August 2020, the Stamp Duty Act was repealed. Previously, exporters were required to pay a Stamp Duty of FJD 10 (per Bill of Lading) and get the Bill of Lading stamped at the FRCS office prior to export. The abolishment of stamp duties has not only eliminated an entire procedure, but it has also reduced the cost and time required to trade. Traders are no longer required to take out time to visit the Customs Office for stamping of the Bill of Lading and pay the prescribed fee.
7. **AWS access provided to the Land Transport Authority of Fiji (LTA)** – FRCS has provided training, awareness, and access to the AWS to LTA officers. This is a step towards a Single Window initiative, which has enabled the LTA to view all customs entries for motor vehicles for domestic registration purposes. This coordination and availability of information ensures that only duty-paid vehicles are registered by individuals and companies.
8. **There is a strict implementation of the requirement to upload licences and permits for export/import, prior to the registration of customs entries into the AWS**, in a move towards enforcement of the Customs Prohibited Import and Export Regulation (1986). Due to this change, the System only allows agents to clear legitimate goods, as it requires importers and agents to have the required documents ready prior to arrival of goods and, hence, saves time and cost incurred from delayed clearance of goods.
9. **Profiling and targeting of consignment for effective risk management** – FRCS has created two new mandatory fields in the Bill of Lading segment in the electronic manifest uploaded in the AWS, to record country of origin and country of destination in the Bill of Lading. This provides the National Border Control and Targeting Centre with the ability to pull the Bill of Lading from the system, with country of origin and country of destination of interest for profiling and targeting. This saves time, as the consignment is inspected with use of a targeted approach for clearance.
10. **The provision to re-route a single administrative document (SAD) from the yellow lane to red lane was created in the AWS in December 2020.** This allows officers to re-route SADs selected for documentary check (Yellow Lane) for physical examination (Red Lane) in the System itself. The prior practice was to manually assign the SADs to the inspecting officers through email notifications, which meant that the SAD lane colours did not change in the system. The ability to re-assign SAD lanes within the system has created greater ease and transparency, and it enabled officers to keep track of all SADs selected yellow and referred for inspection thereafter. It also eliminates the possibility of human error and saves time due to removal of manual assignment and simplification of process for inspection and consignment clearance.
11. **Pre-clearance** – FRCS has implemented pre-clearance for all personal effects that is cleared through Container Freight Stations, as a safety measure to mitigate people-to-people interaction due to COVID-19. The implementation of pre-clearance greatly saves inspection time, as inspections are carried out prior to collection, and saves time for customers, as clearance is already provided when the customer reaches the premises to collect the item.

⁶ WTO, Trade Facilitation Agreement database. All trade facilitation-related information for Fiji can be found at: <https://www.tfadatabase.org/en/members/fiji>.

⁷ TFA, Article 5.3.

⁸ TFA, Article 10.4.

12. **Vessel notification module** – The inward and outward vessel clearance process was automated in the AWS in 2019 where shipping agents use the AWS for clearance; all the required documents are uploaded in PDF format.
13. **Creating of code "AID" for emergency relief goods** – FRCS has created the code "AID" in the AWS to cater for goods brought into Fiji for aid purposes during time when there is a declaration of a State of National Emergency/Disaster. The Code allows clearance to be processed without a manifest and bypasses all customs service fees and relieves importers of all duties and taxes. This enables a faster clearance of essential goods and supplies during a crisis.
14. **A Memorandum of Understanding (MoU) has been signed between FRCS and Ministry of Fisheries in October 2020, in relation to data sharing between the two agencies and the allowing Ministry of Fisheries to use the AWS, as an initiative towards onboarding of trade facilitation agencies to the Single Window System Initiative.** By providing access to the AWS, the Ministry of Fisheries can clear fisheries consignments and share fishing vessel movements with the Customs Border Team. The Ministry of Fisheries is using the AWS for clearing of the goods it profiled in the AWS.
15. **Single manifest** – With this new initiative, the manifest is registered by the shipping agents at the first port of entry for all goods due for discharge in Fiji; there are no more requirements for additional manifests. It reduces transaction cost and streamlines the process, making it faster and more efficient.
16. **Other administration selectivity activated** – The BAF, Ministry of Health and Medical Services, and Ministry of Fisheries use the AWS for the processing of Customs Declarations. The profiles are also activated in the AWS. Customs has its own profiling committee, which continuously reviews the profiles every six months, and as and when required, and updates profiles in the AWS.
17. **Deferment payment** – The AWS has been automated to include the provision of deferred payment for the AEO, Gold Card operators, and bonded warehouse operators, effective since 2021.

Source: Compiled by the WTO Secretariat, based on information provided by the authorities.

3.9. The authorities state that Fiji applies the WTO Agreement on Customs Valuation and uses the transaction value of goods as the primary method (approximately 80% of all import declarations each year). The dutiable value of all imports is the sum of the purchase cost and all expenses incurred for insurance and freight up to the point of entry into Fiji. Fiji does not apply any regulation on pre-shipment inspection.

3.10. Fiji has concluded customs cooperation agreements, including the FRCS' ongoing Partnership Programmes with New Zealand Customs and the Australian Border Force, focused on sharing information through the WCO Regional Intelligence Liaisons Office (RILO) and Oceania Customs Organization (OCO). In addition, the FRCS has 13 MoUs/MoAs in place, 9 of which are with fellow Customs administrations and broadly focused on strengthening cooperation through information sharing (Table 3.1). Fiji is also in the process of developing some new formal agreements with a number of other Customs administrations.

Table 3.1 Customs cooperation agreements

International MOUs/MoAs Date of signing	Type	Party to the MoU/MoA	Purpose of the MoU/MoA	Status
March 2021	MoU	United Nations Office on Drugs and Crime (UNODC)	To provide framework of cooperation and understanding and collaboration in regard to the UNODC-World Customs Organization (WCO) Container Control Programme (CCP)	Active
October 2018	MoU	Hong Kong Customs (HKC)	To enhance cooperation with HKC in terms of trade facilitation and law enforcement	Active
June 2017	MoU	Pacific Island Tax Assn. Admin. (PITAA)	To exchange information and share resources	Active
March 2017	MoA	New Zealand Customs Service	To establish and strengthen cooperation and ensure the successful delivery of the Fiji Country Plan (2017-2021)	Active
September 2016	MoU	Tuvalu Customs	To exchange information	Active
August 2016	MoU	Kiribati Customs Services (KCS)	To facilitate information sharing/training/twinning programmes, providing best practices in the application of Customs Laws	Active
June 2015	MoU	Vanuatu Customs	To exchange information	Active

Source: Information provided by the FRCS.

3.1.2 Rules of origin

3.11. Fiji's customs legislation does not contain any provisions on non-preferential or preferential rules of origin. According to the authorities, implementing regulations on Fiji's preferential rules of origin are contained in Fiji's specific regional trade agreements (Section 2.3.2).

3.1.3 Tariffs

3.12. In 2022, customs duties and taxes on imports accounted for approximately 76% of total tax revenue. Customs duties accounted for 17% of tax receipts.⁹

3.13. Fiji's 2022 applied MFN customs tariff is based on HS22 and comprises 6,521 lines at the 8-digit level. Of the total, 6,299 tariff lines have *ad valorem* rates (including 1,706 duty-free rates), while 222 tariff lines have non-*ad valorem* rates. Specific rates are applied to 108 tariff lines including, *inter alia*, alcoholic beverages, tobacco products, petroleum oils, certain cyclic hydrocarbons, and certain used motor vehicles. Alternate rates are applied to 114 tariff lines including, *inter alia*, certain plastic articles, pneumatic tyres of rubber, worn clothing, bars and rods of iron or non-alloy steel, and used or reconditioned motor vehicles. The overall standard deviation went down from 10.5 (in 2015) to 7.6 (in 2022), indicating a reduction in tariff dispersion. This was due to changes in tariff peaks. The international tariff peaks (% of all tariff lines) decreased from 18% in 2015 to 5.7% in 2022, underscoring the reduction in tariff dispersion. Agricultural products (WTO definition) remain highly protected with a simple average applied (including AVEs) rate of 17.5% in 2022 (18.9% in 2015). Arms and ammunitions also still enjoy higher protection. There are no seasonal tariffs or tariff quotas (Table 3.2, Table A3.1, and Chart 3.3).

Table 3.2 Structure of MFN tariff, 2015 and 2022

(%, unless otherwise indicated)

	MFN applied				Final bound ^a
	2015	2015 (incl. AVEs)	2022	2022 (incl. AVEs)	
Bound tariff lines (% of all tariff lines)	49.5	49.5	47.5	47.5	47.5
Simple average rate	11.2	12.3	6.2	7.7	40.1
WTO agricultural products	12.5	18.9	7.5	17.5	40.5
WTO non-agricultural products	11.0	11.2	6.0	6.2	40.0
HS 01-24	13.9	19.2	9.6	17.6	40.6
HS 25-97	10.6	10.9	5.5	5.7	40.0
Duty-free tariff lines (% of all tariff lines)	4.3	4.3	26.2	26.2	0.0
Simple average rate of dutiable lines only	11.7	12.8	8.4	10.4	40.1
Tariff quotas (% of all tariff lines)	0.0	0.0	0.0	0.0	0.0
Non- <i>ad valorem</i> tariffs (% of all tariff lines)	4.5	4.5	3.4	3.4	0.6
Non- <i>ad valorem</i> tariffs with no AVEs (% of all tariff lines)	1.7	1.7	2.4	2.4	2.1
Domestic tariff "peaks" (% of all tariff lines) ^b	0.0	0.8	5.7	6.4	0.0
International tariff "peaks" (% of all tariff lines) ^c	18.0	18.6	5.7	6.6	47.0
Standard deviation	10.5	27.2	7.6	28.6	2.0
Nuisance applied rates (% of all tariff lines) ^d	0.0	0.05	0.0	0.03	0.0
Number of lines	5,968		6,521		3,099
Duty-free lines	259		1,706		0
<i>Ad valorem</i> rates (>0%)	5,440		4,593		3,062
Non- <i>ad valorem</i> rates	269		222		37

⁹ Custom revenue as a ratio of total revenue collected by the FRCS.

	MFN applied				Final bound ^a
	2015	2015 (incl. AVEs)	2022	2022 (incl. AVEs)	
Specific	92		108		34
Alternate	177		114		3

- a Final bound rates are based on the 2022 tariff schedule. Calculations are based on 3,099 bound rates (including 21 partially bound rates, and excluding 3,422 tariff lines with unbound rates).
- b Domestic tariff peaks are defined as those exceeding three times the overall simple average applied rate.
- c International tariff peaks are defined as those exceeding 15%.
- d Nuisance rates are those greater than zero, but less than or equal to 2%.

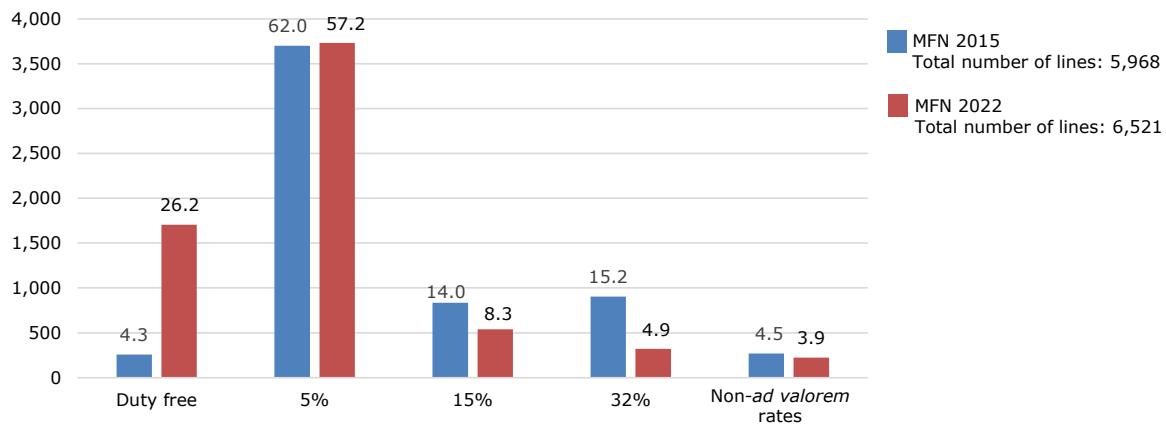
Note: Excluding specific rates and including the *ad valorem* part of alternate rates. The 2015 tariff schedule is based on HS12 nomenclature and the 2022 tariff schedule is based on HS22. In 2015, AVEs are calculated based on 2013 import data provided by the authorities. In 2022, AVEs are calculated based on 2020 import data taken from UN Comtrade.

Source: WTO Secretariat calculations, based on information provided by the FRCS and by the authorities.

3.14. The simple average applied MFN tariff decreased from 11.2% in 2015 to 6.2% in 2022, reflecting mainly an increase in the share of duty-free tariff lines (259 tariff lines) (4.3% of overall tariff lines) in 2015 to 1,706 tariff lines (26.2% of overall tariff lines) in 2022. Over the same period, the simple average rate on dutiable lines dropped from 11.7% in 2015 to 8.4% in 2022. Almost 83.4% of tariff lines are subject to low tariff duties (below 5%) while much higher duties (32%) are applied to 4.9% of tariff lines. The modal (most frequent) rate remains 5%. Domestic and international peaks are each observed in 5.7% of tariff lines (Table 3.2 and Chart 3.1).

Chart 3.1 Distribution of MFN tariff rates, 2015 and 2022

(Number of tariff lines)



Note: Figures above bars refer to the percentage of total lines.

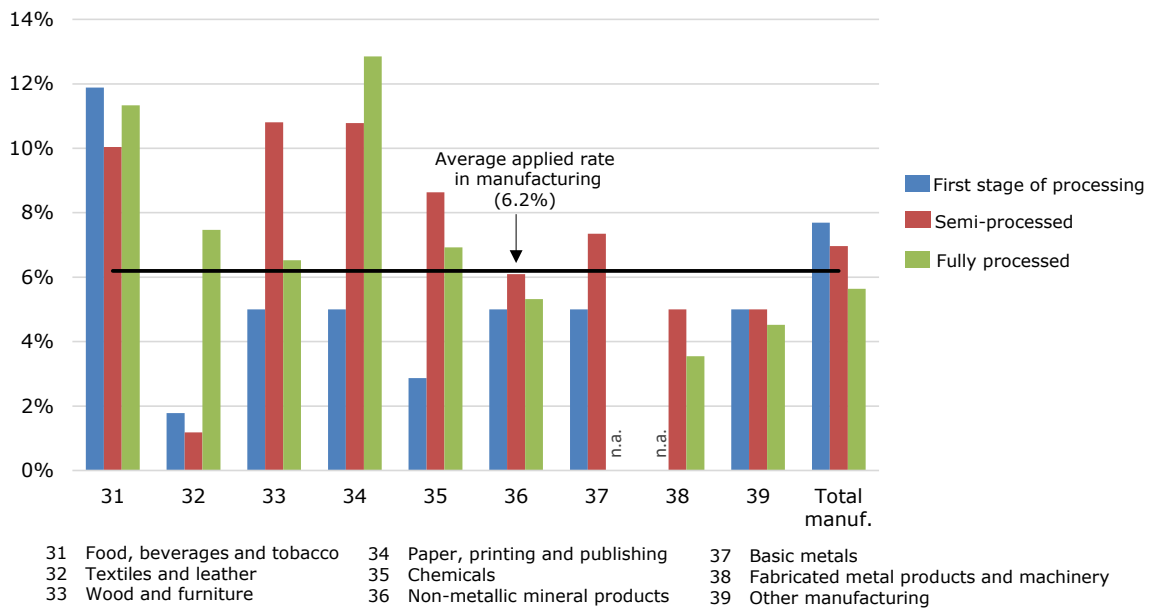
Source: WTO Secretariat calculations, based on information taken from the FRCS.

3.15. The share of unbounded tariff lines slightly decreased during the review period but remains higher due to the reclassification of tariff. Currently 3,099 tariff lines are bound (including 21 partially bound rates). Nearly all (98%) are bound at 40%, while the simple average applied MFN rate is 6.2%. While this large difference between bound and applied MFN rate may represent policy space for Fiji, it may also be seen as a potential uncertainty of the Fiji tariff regime. Fiji has not bound 3,422 of its tariff lines, and for some 41 tariff lines (food products including alcohol, alcoholic beverages, and tobacco), applied MFN tariff rates exceed the bound rates (Tables 3.2 and A3.1-A3.2).

3.16. The structure of the applied MFN tariff displays mixed escalation: overall positive from first-stage processed goods with an average tariff rate of 6.4% to semi-processed products on which tariffs average 7.0%, and negative from the latter to fully processed products with an average tariff rate of 5.6% (Table A3.1). At a most disaggregated levels, positive tariff escalation is evident in

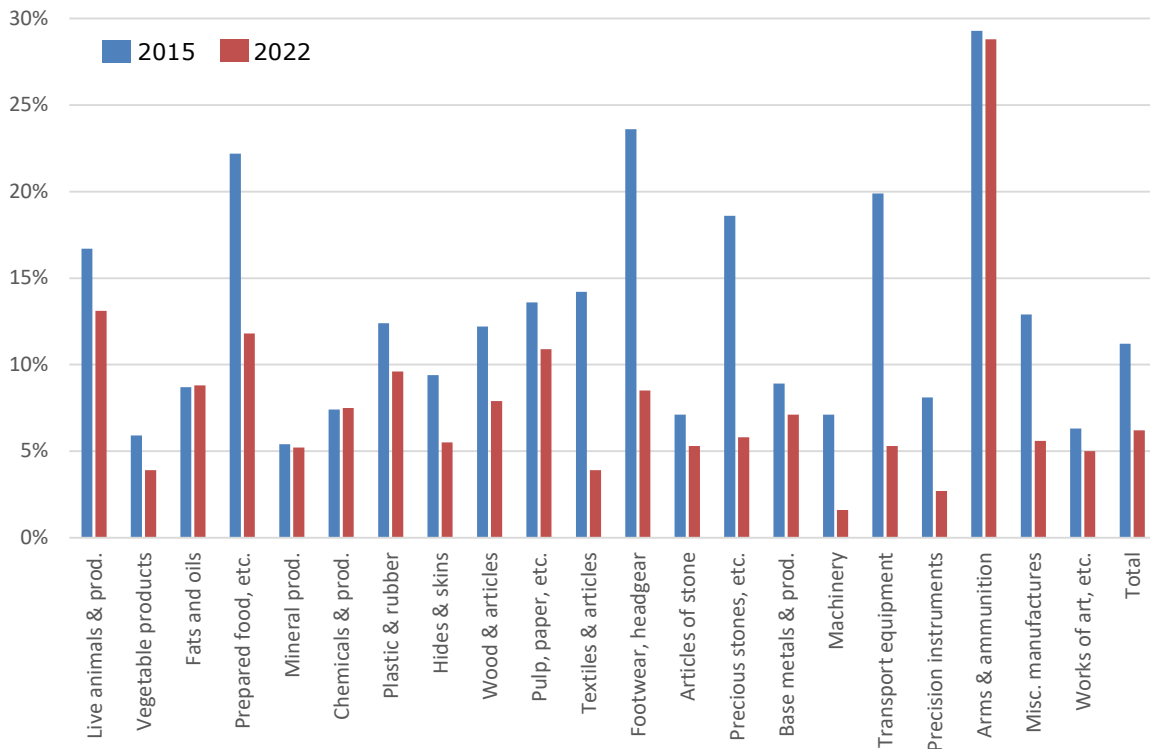
some manufacturing industries with escalation more marked in paper, printing, and publishing; chemicals; non-metallic mineral products; and basic metals. However, for food, beverages, tobacco, and leather and textiles, the escalation is negative from raw materials to semi-processed products, and then positive from semi-processed to finished products (Chart 3.2). Such a tariff structure (negative escalation) tends to discourage investment in processing industries because the heavy taxation of imported inputs adds to production costs or reduces the competitiveness of products manufactured in Fiji. The tariff structure may not be conducive to diversification of economic activity through manufacturing. It also contributes to investors' arguments in favour of duty and tax concessions, including under the Industrial Free Zone (IFZ) and Special Economic Zone (SEZ) regimes (Section 3.1 and Table A3.3).

Chart 3.2 Tariff escalation by 2-digit ISIC industry, 2022



n.a. Not applicable.

Source: WTO Secretariat calculations, based on information provided by the FRCS.

Chart 3.3 Simple average applied MFN tariff rates, by HS section, 2015 and 2022

Note: Excluding specific rates and including the *ad valorem* part of alternate rates.

Source: WTO Secretariat calculations, based on information provided by the FRCS.

3.1.4 Other charges affecting imports

3.17. In addition to customs duties, the Government levies VAT and excise duties on some imports.¹⁰

3.18. The VAT applies to most imports either at zero, 9%, or 15%. The tax base comprises the c.i.f. value of goods and all other duties and charges. VAT also applies to some services, except financial services, domestic rents, and education services. VAT is applied to 6,403 tariff lines (98.2% of the total). VAT at 9% is applied to 4,938 tariff lines (75.7% of total), and VAT at 15% is applied to 1,465 tariff lines (22.5% of total).

3.19. The VAT of 15% applies to alcoholic beverages, tobacco; perfumes and toilet waters; textiles and clothing; footwear; precious metals; appliances for gas fuel; air-conditioning machines; refrigerators; freezers; clothes-dryers; dish-washing machines; powered lawn mowers; washing machines; dry-cleaning machines; electrical machinery and equipment and parts thereof (all HS Chapter 85); passenger motor cars and racing cars; and wristwatches.

3.20. No VAT is applied to basic food products, comprising 118 tariff lines (1.8% of total), including milk; potatoes, fresh or chilled; onions and shallots, fresh or chilled; garlic, fresh or chilled; dried leguminous vegetables, shelled; tea; rice; wheat and meslin flour; certain vegetable oils (e.g. soya bean, ground-nut, olive, sunflower, and maize); prepared/preserved fish; cane sugar; salt; kerosene and illuminating oil; liquified butanes; dentifrices; certain soap; organic surface-active agents; toilet paper; vehicles with only electric motor for propulsion; and sanitary towels. Exports, including of services, are also subject to a zero VAT rate.

3.21. Fiji applies excise duties to a range of products, whether imported or manufactured in the country. The list of excisable goods covers 120 tariff lines (1.8% of the total) at rates of 15%, 10%, and 5% as follows: 15% applied to 29 tariff lines (e.g. on non-alcoholic beverages; all tobacco and

¹⁰ Information on VAT and excise duties are based on the 2022 tariff schedule.

tobacco products (except two tariff lines for cigarettes where excise duty is FJD 347.89/kg); and certain plastic articles). A rate of 10% applies to 59 tariff lines (e.g. on chicken meat; natural honey; Portland cement; wood sawn or chipped lengthwise of a thickness > 6 mm; and tube/pipes of iron or steel). A rate of 5% applies to 30 tariff lines, 28 lines on new motor vehicles and 2 tariff lines on louvre-type windows and their frames of iron or steel and aluminium.

3.22. The excise tax regime has not changed since 2016.

3.23. Fiji grants duty and tax concessions under various initiatives aimed at promoting investment or achieving social objectives (Section 2). According to the authorities, duty and tax concessions granted to imports resulted in forgone revenue in the range of FJD 250 million over the 2016-22 period. While declining, revenue losses on import-related concessions amounted to approximately 15% of total fiscal revenue and some 33% on average for the last past three years (2020-22) of revenue collections by Fiji Customs. The level and the scope of these concessions call for a need to align the tariff structure with Fiji's development objectives (Section 3.1.4. on tariff escalation and Table A3.3).

3.1.5 Import prohibitions, restrictions, and licensing

3.24. Fiji did not submit any notifications to the Committee on Import Licensing during the period under review. The authorities affirm that licensing requirements are mainly used for national security, public safety, health, morality environmental reasons, or for the enforcement of international obligations undertaken by Fiji. Non-automatic licensing requirements continue to apply on several imports, including firearms, explosives, noxious gases, ozone-depleting substances, narcotics, medicines, alcoholic beverages, tobacco and cigarettes, indecent or obscene material, gambling machines, and endangered species. The legal instruments governing restricted imports remains the Customs Act and Customs Regulations as amended in 2022.

3.25. The authorities state that the Biosecurity Authority of Fiji must license certain types of agricultural imports, such as rice, dairy, poultry, and meat. The Ministry of Economy issues import licences for gold and other precious metals, cigarette lighters, and other mechanical or electrical lighters. Import licences for products such as lubricants, transformers, circuit breaker oils, cleansing oils, and hydraulic brake oils are issued by the MTCSME.

3.26. Prohibited imports include counterfeit currency, pornographic or subversive materials, goods infringing intellectual property rights, and hazardous waste (Tables A3.4 and A3.5).

3.1.6 Anti-dumping, countervailing, and safeguard measures

3.27. Fiji's legal and institutional frameworks for the application of anti-dumping, countervailing, and safeguard measures did not change over the review period.¹¹ To date, no contingency actions have been taken by Fiji.

3.1.7 Other measures affecting imports

3.28. Fiji does not have any system on reserve stock requirements in place. It is not a party to any countertrade and offsetting arrangements, or agreements limiting exports to Fiji. The country does not apply any trade sanctions.

3.29. Under the Investment Act 2021, Fiji obliges foreign investors in manufacturing of tobacco products to satisfy a local content requirement. Investors must procure at least 75% locally grown and processed tobacco in all domestic cigarette production (Table 2.3).

¹¹ WTO document WT/TPR/S/330/Rev.1, 26 April 2016.

3.2 Measures directly affecting exports

3.2.1 Customs procedures and requirements

3.30. The registration and customs clearance procedures for exports are like those for imports (Section 3.1.1), requiring notably a TIN, a declaration, a commercial invoice, a packing list, a Bill of Lading/airway, and, where applicable, a conformity, sanitary, or phytosanitary certificate, and original export permits and/or licences.

3.31. Exporters wishing to benefit from preferential access to foreign markets may obtain the necessary certificate of origin from Fiji Customs, costing FJD 50. For goods subject to export taxes, export valuations may be checked by the FRCS.

3.2.2 Taxes, charges, and levies

3.32. Fiji continues to charge export duties, which are provided for in the Customs Act (Sections 92(2) and 93(3)) and the Customs Tariff Act (Section 3(b)) (rates are specified in Schedule 2). They are applied to 21 tariff lines (0.3% of total tariff lines), 20 at a rate of 3% and 1 at 5%. The rate of 3% applies to cane or beet sugar and chemically pure sucrose, in solid form (5 lines); molasses resulting from the extraction or refining of sugar (2 lines); silver, unwrought or in semi-manufactured forms or in powder forms (3 lines); base metals clad with silver, not further worked than semi-manufactured (1 line); gold, unwrought or in semi-manufactured forms or in powder forms (4 lines); base metals or silver, clad with gold, not further worked than semi-manufactured (1 line); and waste and scrap of precious metals (4 lines). The rate of 5% applies to pebbles, gravel, broken, or crushed stone (1 line).

3.2.3 Export prohibitions, restrictions, and licensing

3.33. In Fiji, in addition to the general business licence for engaging in cross-border trade, special licensing requirements remain in place for certain exports, such as fisheries and agricultural products (Table 3.3). Exports proceeds must be repatriated to Fiji through the banking system within six months of shipment.

3.34. As with imports, the legal instruments governing export restrictions have not much changed and the granting of licences is administered by several line ministries and government agencies.¹²

3.35. Over the review period, the BAF aligned registration of export Biosecurity Approved Premises (BAP) with the Fruit Exporters License (FEL) under the Fruit Export and Marketing Act (Chapter 154) to streamline registration processes and make it simpler for exporters of agricultural commodities to comply. According to the authorities, it now takes 48 hours (down from 1 week) to get a Forest Harvesting Licence, thanks to the Ministry of Forestry's online system.¹³

3.36. Prohibited exports include round logs for environmental reasons and to promote downstream processing.

3.37. Exports of fish and other marine products require an export permit from the Ministry of Fisheries and exports of certain species are prohibited on conservational and environmental grounds. Export permits are required for every consignment 48 hours before shipment. In order to export tuna to major markets such as the United States, Japan, Australia, and Canada, the exporter is required to adopt and implement the following food safety systems: (i) Hazard Analysis Critical

¹² Links to agency websites for export licences:

Fiji Revenue and Customs Services. Viewed at: <https://www.frsc.org.fj/our-services/customs/>.

Biosecurity Authority of Fiji. Viewed at: <https://www.baf.com.fj/>.

Ministry of Forestry. Viewed at: <https://www.forestry.gov.fj/>.

Ministry of Fisheries. Viewed at: <https://www.fisheries.gov.fj/index.php/forms>.

Telecommunications Authority of Fiji. Viewed at: <http://www.taf.org.fj/Licensing/Import-Permit.aspx>.

Ministry of Waterways and Environment. Viewed at: <https://www.mowe.gov.fj/permits-licenses/>.

Ministry of Commerce, Trade, Tourism and Transport.

Viewed at: <https://www.mcttt.gov.fj/divisions/trade-unit/programmes/international-trade-agreements/>.

¹³ Fruit Export and Marketing Act 1906 – Law of Fiji. Viewed at:

<https://www.laws.gov.fj/Acts/DisplayAct/2288>.

Control Point (HACCP) System; (ii) Standard Sanitization Operating Procedure (SSOP); (iii) Good Manufacturing Practices Plan (GMPP); and (iv) Marine Stewardship Council (MSC).

3.38. As for tuna exports to the European Union, exporters must comply with EU fish export standards. That is, vessels, crew, processing plants, and storage facilities must be certified by the competent authority. The exported fish also need to be accompanied by a Catch Certificate confirming that the fish caught by Fiji fishing vessels are not IUU (illegal, unreported and unregulated) caught. In the ongoing negotiations of the Economic Partnership Agreement (EPA) with the European Union, Fiji continues to strive for the establishment of more flexible rules of origin than those in the interim EPA that would allow for global sourcing of fisheries raw materials.¹⁴

Table 3.3 Exports requiring a licence, 2023

Description	Conditions, restrictions, or requirements
All birds (other than domestic fowl, ducks, turkeys, geese, and pigeons) alive or dead and the plumage or any part of the plumage of such birds	Written permission from the Secretary for Primary Industries
All live cattle	Export licence from the Secretary for Primary Industries
All reptiles (except for marine turtles), amphibians (except for toads), bats, and the Fiji Goshawk	Export licence from the Secretary for Primary Industries
Whales' teeth (Tabua), breast plates of pearl and ivory	Written permission from the Secretary for Fijian Affairs
Unprocessed turtle shell	Export licence from the Secretary for Primary Industries
Fiji manufactured sugar in any consignment exceeding 5 kg	Export licence from the Comptroller of Customs
Copra	Export permit from the Coconut Board
Wheat bran classified in HS 2302.00.00	Export licence from the Secretary for Primary Industries
All Fijian weapons made for war; certain forks of bone, ivory, or wood; artefacts made from whales' tooth including breast plates, pendants, necklaces, food hangers, and human and animal figures; all stone adzes and pounders; and all wooden or stone carvings of human or animal figures, except replicas made for the souvenir trade	Export licence from the Secretary for Housing and Urban Affairs
Wood and wood products classified in 48 eight-digit tariff items within HS Chapter 44, covering unprocessed (round) logs and timber	Export licence from the Conservator of Forests
Coffee in any form classified in HS 0901.00.01, 0901.00.09, 2101.02.01 and 2101.02.09	Certificate from the Secretary for Primary Industries in accordance with the rules of the International Coffee Organization
Unprocessed Trochus shells classified in HS 0508.00.20	Licence from Secretary of Trade and Commerce
Arms and ammunition	Licence from the Commissioner of Police subject to the Arms and Ammunition Act
Dangerous drugs covered by Part IV	Authorization in accordance with the Dangerous Drugs Act
Gold coin, bullion, and currency notes of Fiji or any other country	Written permission from Reserve Bank, excluding travellers taking abroad foreign currency notes of up to FJD 5,000 per person, all consignments of goods exceeding FJD 1,000 f.o.b. except in accordance with the provisions of the Exchange Control Act
Explosives	Licence under the Explosive Act
Fisheries	Live fish of any kind; turtle flesh; turtle shell of length less than 45.72 cm; any shell of the Trochus species measuring less than 8.89 cm across the whorl, and of some other species
Minerals	Permit from Director of Mines endorsed with a certificate indicating that all royalties have been paid or secured, or that no royalties are payable, in accordance with the Mining Act
Monuments or objects of archaeological and palaeontological interest	Permit issued by the Board of Trustees established under the Fiji Museum Act, in accordance with the Preservation of Archaeological and Palaeontological Interest Act

Source: Customs (Prohibited Imports and Exports) Regulations, Schedule 7.

¹⁴ Information provided by the authorities.

3.2.4 Export support and promotion

3.39. Fiji has not submitted any notifications regarding export subsidies to the Committee on Agriculture and the Committee on Subsidies and Countervailing Measures over the review period.

3.40. Fiji continues to have various export incentive schemes with the aim of increasing investment in exporting activities. A duty drawback scheme has been in operation since 1986 (Customs Act, Section 101). The FRCS oversees this scheme.¹⁵ Export income reduction established in 2012 will be phased out in 2024. The Export Income Deduction is a tax incentive provided by Fiji to encourage and promote economic growth and inflow of foreign exchange. The authorities state that in the COVID-19 Response Budget, the Export Income Deduction was increased from 50% to 60% and the rate was valid till 2022. However, given the negative impact of the pandemic on exports (especially on tourism), the deduction will be maintained until 31 December 2024. The agriculture and fisheries sectors will qualify for Export Income Deduction of 90%.

3.2.5 Export finance, insurance, and guarantees

3.41. The National Export Strategy (NES), administered by the MTCSME, aims to achieve sustainable growth by encouraging exports, competitiveness, value adding, and export diversification in areas where there are competitive advantages. Fiji has identified six key areas: agrobusiness; forestry; marine products; mineral water; information and communication technologies (ICT); and audiovisual services. The NES assists SMEs in the prioritized sectors on a cost-sharing basis with an emphasis on addressing supply-side constraints (e.g. product development, packaging, infrastructure, marketing, and training).¹⁶

3.3 Measures affecting production and trade

3.3.1 Incentives

3.42. Fiji continues to apply many various types of investment incentives to both domestic and foreign investors for industrial policy to support business activities in general or specific sectors such as agriculture, fisheries, manufacturing, and services (Section 4). These initiatives include fiscal concessions, access to preferential credits, and targeted subsidies, and are to a large extent limited in terms of scope due to budget constraints (Table A3.3).

3.43. Concerning particularly micro, small and medium-sized enterprises (MSMEs), the authorities state that Fiji provides supports to these enterprises in various ways (Box 3.2).

3.44. The Ministry of Trade, Co-operatives, and Small and Medium Enterprises (MTCSME) has established a dedicated unit that is responsible for the policy formulation and development of MSME businesses in Fiji. The unit also provides business development services, such as advisory and training to grass-roots-level entrepreneurs who seek to open a business and support their families.

3.45. The Ministry also administers the livelihood programmes that provide financial assistance to targeted sectors such as exporters, youth, and rural/peri-urban communities.

3.46. During the period under review, Fiji did not make any notification regarding the existence of any subsidy within the meaning of Article 1.1 of the Agreement on Subsidies and Countervailing Measures, which is specific within the meaning of Article 2 of the Agreement, or which operates directly or indirectly to increase exports from or reduce imports into its territory within the meaning of Article XVI:1 of the GATT 1994.

¹⁵ There are two types of drawbacks, depending on whether the imported goods are exported or processed. Normal drawback applies where imported inputs are exported without undergoing any domestic processing, while industrial drawback applies on imported inputs that undergo processing before export. Exporters must meet several requirements to receive drawbacks, and the amount of duty refunded is based on a formula derived and agreed between customs and the exporters, which may be company specific.

¹⁶ Investment Fiji. Viewed at: <http://www.investmentfiji.org.fj/>.

Box 3.2 Supports provided to MSMEs and Co-operatives

MSMEs

- Over the review period, the MTCSME has invested over FJD 100 million through grants in the MSME sector.
- Since 2014, 330 training sessions with 8,093 attendants have been conducted. The training covered topics from financial literacy, business plan development, cash flow forecasting, social media marketing, and post-disaster business recovery sessions.
- During the COVID-19 pandemic, the MTCSME served as the secretariat for the implementation of the COVID-19 MSME Concessional Loan Programme, which provided financial assistance to new and existing MSMEs through the loans (FJD 7,000, FJD 14,000, and FJD 21,000) at concessional interest rates (0.5%, 1%, and 1.5%). Through this programme, the Government partnered with key private-sector organizations: Fiji Institute of Accountants, Fiji Commerce and Employers Federation, Fiji Chamber of Commerce and Industry, and Women in Business.
- Additionally, considering the impact of COVID-19, the Government is offering support to new and existing micro businesses (i.e. businesses whose annual turnover is less than FJD 50,000) the opportunity to apply for a FJD 500 grant to enhance their services to citizens.
- Business Assistance Fiji also provides business development services for the MSME sector.
- Initiatives such as "Fijian Made – Buy Fijian" brand were enacted to increase the brand recognition of locally manufactured products. Over 60% of the registered businesses are MSMEs.
- Another initiative is the standardized roadside stalls from which MSMEs sell fresh produce along the highways in Fiji. At present, there are 102 safe and hygienic roadside stalls that are leased to vendors.

Co-operatives

- The MTCSME has a department dedicated to the monitoring and development of the Co-operative Businesses.
- The department formulates and implements policies and strategies to facilitate the promotion, establishment, and monitoring of co-operative businesses in Fiji.
- The department has 484 registered and operating co-operatives in Fiji, with the highest number engaged in the wholesale and retail trade sector (40%).
- Since 2015, the department has conducted 894 awareness sessions, reaching residents of even the most remote places in Fiji (i.e. the maritime areas).
- The department also provides training through the Co-operative College of Fiji to help build the skills of co-operative members and board members. Since 2015, 189 training sessions have been conducted, which helped develop the skills of approximately 3,500 citizens.
- As the governing body for co-operatives in Fiji, the department actively monitors them and provides advisory services.
- The Ministry is also working closely with the UN Capital Development Fund to support research contributing to the development of climate disaster risk financing for MSMEs. It has also partnered with the FAO to provide inclusive learning materials to fisher co-operatives.

Source: Compiled by the WTO Secretariat based on information provided by the authorities.

3.3.2 Standards and other technical requirements

3.47. The Trade Standards and Quality Control Act 1992 (TSQCA) continues to provide the legal and institutional framework on standardization in Fiji. The TSQCA has been substantially amended after industry-wide consultations were conducted and relevant amendments were considered in a new bill.

3.48. The Department of National Trade Measurement and Standards (DNTMS), previously known as Fiji Trade Standards and Quality Control Office, under the MTCSME, remains responsible for preparing, developing, and promoting standards related to goods, services, processes, and practices used or produced in Fiji.¹⁷ The DNTMS administers standards for the protection of the health and safety of consumers and the environment, as well as for industrial development.

3.49. The Minister of the MTCSME is empowered to declare standards for quality of commodities, processes, practices, and services imported into or exported from Fiji.¹⁸ In doing so, the Minister of MTCSME considers recommendations from the Trade Standards Advisory Council (TSAC) that represent the interests of both industries and consumers. Mandatory standards must be approved by the Cabinet. Draft standards are made available online for public comments.¹⁹ All comments

¹⁷ TSQCA, Section 16.

¹⁸ TSQCA, Sections 25.1 and 26.1.

¹⁹ Public comments are not available for ISO, IEC, and Australian and New Zealand Standards. MCTTT, *Public Comment Section*. Viewed at: <https://mcttt.gov.fj/division/national-trade-measurement-and-standards/standards/public-comment-section/>.

submitted during a designated period (usually 60 days) are reviewed and, if necessary, the standard is modified.

3.50. In 1998, the DNTMS signed a Memorandum of Understanding (MoU) with Standards Australia International, which gave Fiji a platform from which it approached standardization issues.²⁰ The MoU enabled DNTMS to adopt and modify Australian Standards as Fiji Standards. The DNTMS has a full membership in the International Organization for Standardization (ISO) and the Pacific Area Standards Congress (PASC). It is also affiliated with the International Electrotechnical Commission (IEC).

3.51. The Pacific Islands Forum Secretariat initiated the Pacific Quality Infrastructure (PQI), which aims to strengthen a demand-oriented quality infrastructure (QI) and access to services that enhance trade competitiveness in the Pacific region. One of the major objectives of the PQI is establishing regional QI frameworks for standardization, metrology, conformity assessment, and quality promotion in Fiji and the rest of the Pacific region.

3.52. During the review period, Fiji adopted a mandatory standard on steel reinforcing materials, which entered into effect on 1 January 2021.²¹ Local manufacturing industries were concerned about the quality of steel bars that were imported into the Fiji markets, which were unsuitable for seismic regions such as Fiji. As such, the steel reinforcing standard was amended to recognize the New Zealand specifications, as Fiji and New Zealand share the same geographical and seismic regions. Fiji also modified existing mandatory standards on production and export of bottled water, production and import of fuels, and the import of household electric refrigerating appliances.

3.53. As at February 2023, Fiji has 13 mandatory standards and 61 voluntary standards, of which 65 were directly adopted from Australian and New Zealand standards. Australian and New Zealand standards are preferred, in light of those countries' favourable geographical location and the availability of experts on various standards projects. Mandatory and voluntary standards are published on official websites.²²

3.54. As at March 2023, Fiji has one independent accredited laboratory where a wide range of services in the analyses of foods, feeds, and water can be offered. There are other internal accredited testing laboratories that can also test water, as well as material used for building and construction.

3.55. Recently, the DNTMS has not published any compulsory food safety standards.

3.56. As at March 2023, the DNTMS has not made any recent regulatory changes in labelling requirements, import licensing scheme of pharmaceuticals, or the drug registration process.

3.57. The DNTMS remains the TBT notification authority and enquiry point to the WTO. During the review period, Fiji did not submit any notifications to the TBT Committee and did not receive any specific trade concerns raised by other Members.

3.58. All imported goods must be labelled with the country and company of make, and, for clothing, display washing instructions and fabric content. Packaged goods must be labelled with quality certification and weight. The Food Safety Act also covers regulations for labelling and packaging of food products, e.g. manufacturers', importers', packers', and distributors' name; ingredients, prescribed nutritional information; shelf-life expiry date; and other mandatory Codex labelling requirements. If not met, importers may be directed to re-label within 30 days. All beverage products in Fiji require use-by-date labelling and details of contents on packaging.

3.59. Fiji has no food labelling requirements for genetically modified organism (GMO) foods or restrictions on their importation or production; this issue is currently under discussion.

²⁰ MCTTT, *Standards*. Viewed at: <https://mcttt.gov.fj/division/national-trade-measurement-and-standards/standards/>.

²¹ Trade Standards (Steel Reinforcing Materials) Order 2020.

²² Mandatory standards (technical regulations) are published on: <https://mcttt.gov.fj/division/national-trade-measurement-and-standards/standards/mandatory-standards/>. Voluntary standards are published on: <http://pasc.standards.org.au/>.

3.3.3 Sanitary and phytosanitary requirements

3.60. Fiji regulates and controls the movement of animals and plants into, out of, and within Fiji, primarily under the Biosecurity Act 2008 and its subsidiary regulations.²³ The Biosecurity Authority of Fiji (BAF), established under the Biosecurity Act 2008, is mandated to discharge necessary functions including (i) protection of Fiji against the entry of regulated pests and diseases; (ii) surveillance pests and diseases in Fiji; and (iii) facilitation of safe import and export of animals and plants and their products.²⁴ The Ministry of Health and Medical Services is mandated to regulate the food safety aspects under the provisions of the Food and Safety Act 2003; and the Food Safety Regulation 2009.

3.61. BAF is a notification authority and an enquiry point under the WTO SPS Agreement. During the review period, Fiji did not submit any notifications to the SPS Committee and did not receive any specific trade concerns by other Members.

3.62. Fiji is a member of the Codex Alimentarius Commission, the World Organisation for Animal Health (WOAH, formerly OIE), and the International Plant Protection Convention (IPPC).²⁵

3.63. During the review period, Fiji made some regulatory changes according to International Standards for Phytosanitary Measures (ISPMs) adopted by the IPPC. The BAF continuously implements ISPMs as they are adopted by the IPPC. In 2021, the BAF underwent institutional changes to follow recommendations in the ISPMs. Such changes include revamping of the BAF Operations Standard Operating Procedures and upgrading of BAF laboratories to the New Zealand MPI Standard. Revised BAF import requirements based on ISPMs are also continuously upgraded. The BAF further conducted inspection and certification programmes. It also reformed the procedures for inspections and verifications to provide a better phytosanitary certification and improve confidence in the certification process.

3.64. In July 2020, the BAF began to issue electronic phytosanitary certificates (ePhyto) for commercial consignments exported from Fiji, with a view to replacing its paper-based phytosanitary documentation system. This was done by implementing the IPPC ePhyto Solution. The BAF started the exchange of ePhyto initially with New Zealand and, since March 2023, it has connected the traders and satellite BAF offices to the new system. The BAF has indicated that the digitalization of the procedures has significantly improved trade efficiency by reducing the time and cost of conveying paper documentation through freight and third-party services, and reduced non-compliance caused by misplacement or late submission of original phytosanitary certificates. Since March 2023, the BAF has gone paperless only with the United States.

3.65. During the review period, Fiji discussed maximum residue limits with its counterparts, and took localized measures to address the issue before it became a trade concern. Part VII (Incidental Constituents) of the Food Safety Regulation 2009 under the Food and Safety Act 2003 provides guidance on the maximum residual allowance of pesticides, mycotoxins, and veterinary drugs.

3.66. Fiji has bilateral quarantine agreements with Australia on papaya, fresh ginger, and other fresh and frozen produce; with New Zealand on papaya, eggplant, chillies, herbs, pineapple, breadfruit, mango, Tahiti and Meyer lemons, and other fresh and frozen products; with Papua New Guinea on coffee and copra; with Tonga on watermelon, yams, and vanilla; and with Vanuatu on any animal products. Fiji also has a bilateral agreement regarding apple and pear imports from China, and general bilateral quarantine agreements (BQAs) on cooperation with Australia, Indonesia, Japan, New Zealand, and the Philippines.

3.67. The importation of regulated plant and plant products into Fiji is facilitated through import permits while the non-regulated articles can be imported without an import permit. For new requests

²³ Other legislation relating to sanitary and phytosanitary requirements includes the Food and Safety Act 2003; Food Safety Regulation 2009; Notifiable Pests and Diseases (Plant) Order 2022; Notifiable Pests and Diseases (Animal) Order 2022; Goats (Earmarks) Act 1955; Protection of Animals Act 1954; Stock Improvement Act 1932; Dairies Act 1965; Meat Industry Act 1969; Food Safety Act 2003; Public Health Act 1935; Endangered & Protected Species Act 2002; Fisheries Act 1941; Offshore Fisheries Act 2012; Trade Standards & Quality Control Act 1992; Maritime Transport Act 2013; and Pesticides Act 1971.

²⁴ Biosecurity Act 2008, Section 9.

²⁵ WTO document G/SPS/GEN/49/Rev.12, 20 January 2015.

to import goods from countries where a pathway is not yet established, an Import Risk Analysis (IRA) is conducted to determine the quarantine risk and to develop phytosanitary measures. Phytosanitary treatments such as fumigation and cold treatment are the various options considered to facilitate importation.

3.68. Fiji has currently prohibited the import of poultry and poultry products from Australia, pork and products for personal use, and honey from all countries. It has also established more than 40 import/export pathways from various countries.

3.69. Fiji strictly prohibits importation of GMOs. Thus, there is no requirement for labelling and environmental risk assessment applied to such crops.

3.3.4 Competition policy and price controls

3.70. The Fijian Competition and Consumer Act 2010²⁶ (2010 Act) provides a general regulatory framework with a view to promoting efficient competition and consumer interests.²⁷ The 2010 Act also aims to ensure equitable returns for businesses with fair and reasonable prices charged to consumers. The Act empowers the Fijian Competition and Consumer Commission (FCCC)²⁸ to discharge various functions such as (i) competition adjudication and enforcement; (ii) consumer protection and enforcement; (iii) price control and monitoring; and (iv) economic regulation in certain industries, including specific provisions to protect women, rural residents, and other disadvantaged groups (Table A3.6).

3.71. The 2010 Act stipulates prohibited categories of restrictive trade practices, as well as unfair practices.²⁹ Many of the offences related to the abuse of dominant positions are within the scope of provisions on misuse of market power (Section 66), anti-competitive conduct (Section 67), and unconscionable conduct (Section 76).³⁰ The FCCC may initiate assessment and investigation of such practices.

3.72. Mergers that will result in obtaining or strengthening a position to dominate a market are prohibited.³¹ With a view to helping businesses carry out their transactions without risking legal actions taken by the FCCC, Fiji operates a pre-notification regime for domestic mergers and acquisitions.³² Under the regime, businesses that plan to acquire, directly or indirectly, any shares in the capital, or any assets, may obtain a clearance (authorization) from the FCCC before completing the transaction. While such an authorization is in force, the authorized businesses can carry out the proposed transaction without risk of legal action taken by the FCCC. At the time of writing, Fiji operates a voluntary notification regime for domestic mergers and acquisitions, and also assesses overseas transactions involving businesses that operate in Fiji. The authorities are currently reviewing the 2010 Act. They are working towards ensuring that there is a mandatory pre-notification system based on a threshold with a view to reinforcing the monitoring role of FCCC.³³

3.73. For its merger assessment, the FCCC requests that applicants provide information about (i) details of the proposed transaction; and (ii) market information and concentration. Moreover, submissions should relate to the reasons why the merger/acquisition should be permitted. Applicants may make reference to the likely intensity of competition in relevant markets in the aftermath of the proposed merger/acquisition, benefits to the public or consumers likely to arise from the proposed merger/acquisition, or any other relevant features of the transaction that the applicant believes should be considered by the FCCC. The application will be assessed in accordance with the FCCC's Merger Assessment Guidelines.

²⁶ It was previously the Commerce Commission Decree.

²⁷ 2010 Act, Section 2.1.

²⁸ It was previously the Fiji Commerce Commission.

²⁹ 2010 Act, Parts 6 and 7.

³⁰ OECD (2021), *Economic Analysis and Evidence in Abuse Cases – Contribution from Fiji*, 7 December.

Viewed at: [https://one.oecd.org/document/DAF/COMP/GF/WD\(2021\)17/en/pdf](https://one.oecd.org/document/DAF/COMP/GF/WD(2021)17/en/pdf).

³¹ 2010 Act, Section 72.

³² 2010 Act, Section 150A.7.

³³ FCCC, *Strategic Plan (2018-2023)*. Viewed at: https://fccc.gov.fj/wp-content/uploads/2018/09/SP-FCCC-17_Final.pdf.

3.74. In August 2017, Fiji amended the Act to insert or refine definitions of several terms, including "market", "trade and commerce", "traders", and "exclusionary provisions", to give more clarity to relevant competition analysis.

3.75. Several guidelines were also drafted during the review period. The Merger Assessment Guidelines (drafted in 2021) set out criteria by which mergers and acquisitions are assessed by the competition team. The guidelines were developed with informal collaboration from the Competition and Markets Authority, and they describe different assessment approaches. The Business Collaboration Assistance Guidelines (drafted in 2020) sets out the acceptable framework for business collaboration. Originally designed to tackle supply chain problems during the pandemic, the Guidelines are currently being revised. The Cartel Leniency Guidelines (drafted in 2021) set out a mechanism for allowing participants in prohibited collusive conduct to seek leniency by helping the FCCC prosecute other participants. It describes the process framework and the extent of leniency available to applicants under different circumstances. The Pharmacy Competition Assessment Guidelines (drafted in 2022-23) set out the framework for carrying out competition assessments incorporated into the Pharmacy Licensing regime. The Pharmacy Act was revised to increase the number of pharmacies a registered pharmacist could own from two to five to allow them to expand their business where pharmacy services are needed. The revisions included the rules for automatic renewal of pharmacies. The amendment addressed the anti-competitive nature of the Act to ensure that pharmacy businesses can compete more effectively.

3.76. According to the authorities, during the review period, three major competition cases were reviewed, resulting in the following outcomes: (i) approval with undertaking; (ii) approval with undertaking granted in Fiji but failed to receive approval in Papua New Guinea; and (iii) conditional approval granted by the FCCC. No competition case laws were tested in court during the review period.

3.77. The FCCC is also responsible for assessing proposed access agreements³⁴ under the Act. Upon a mandatory notification from a person who proposes to enter or change an access agreement, the FCCC may give advice about the proposal to the person who notified the proposal and to the Minister.³⁵ The FCCC maintains a register of valid access agreements. During the review period, Fiji did not make any change to this access regime.

3.78. The FCCC may recommend the imposition of price-control orders for goods and services at wholesale and retail levels, to address problems arising from weak competition in concerned markets.³⁶ Goods and services under price control include various commodities, energy bills, infrastructure services fees (e.g. telecommunications, postal), and transport fees (Table A3.7).

3.79. According to the authorities, Fiji has adopted the Cost-Plus-Mark-Up approach to fixing and declaring prices of goods for control purposes. The approach consists of adding an allowable mark-up on the cost to arrive at the proposed price. The price review process involves the stakeholder making a submission for review, supported by the required documentary evidence (submission checklist) for the purposes of pricing. Adopting the Cost-Plus-Mark-Up approach, the prices for the price control items are fixed and declared by the Commission.

3.80. During the last three years (2019-22), the FCCC conducted onsite inspections, where a total of 45,433 traders were inspected to monitor prices and found that 2,753 traders did not comply with the 2010 Act. The inspections found that 1,327 traders failed to have prices indicated and 1,426 traders offered a price exceeding the maximum authorized price.

3.81. In August 2017, Fiji amended the 2010 Act to impose more obligations on traders. Specifically, the amended Act requires that at the time of sale, traders supply to every purchaser a receipt containing certain information (e.g. price, quantity, weight, date of purchase, and the name of the trader) and retain a copy of such receipt.³⁷ The amendment also extended the period during which

³⁴ "Access agreement" is defined as an agreement under an access regime for the granting of access to infrastructure facilities or to services provided by means of infrastructure facilities (2010 Act, Section 4).

³⁵ 2010 Act, Section 26.

³⁶ 2010 Act, Section 44.

³⁷ 2010 Act, Section 55A.

traders must maintain documents concerning any business, including selling of goods and services, from three years to seven years since the documents originated.³⁸

3.82. The FCCC aims to ensure that price controls are applied in an economically justified and efficient manner. To that end, during the review period, the FCCC conducted few controls/surveys. In August 2017, the FCCC embarked in its endeavour towards providing a dynamic and efficient method of approving and communicating price changes to all stakeholders, beginning with the development of the Electronic Pricing Portal System (ePricing portal). The project was aimed at eliminating the cost of administering price controls, eliminating any delays in processing submissions from both stakeholders and the FCCC, and also improving efficiencies in pricing. According to the authorities, to date the use of the ePricing portal has resulted in a 50% increase in price revision compared to previous years.

3.83. Fiji intends to further modernize the 2010 Act with a view to reforming its competition and consumer protection regime. The reform process is underway in cooperation with the Asian Development Bank (ADB).³⁹

3.3.5 State trading, state-owned enterprises, and privatization

3.84. In 1999, Fiji notified the WTO that the Fiji Sugar Corporation (FSC) was a state trading enterprise, which had exclusive rights to export raw sugar and molasses.⁴⁰ Fiji has not submitted any further notifications.

3.85. Fiji proceeds with a state-owned enterprise (SOE)⁴¹ reform to improve the productivity and profitability of SOEs. In July 2019, it introduced the Public Enterprises Act 2019 with a view to updating and aligning its legislation to international best practices.⁴² The new Act aims to provide for the regulation and governance of public enterprises according to five public enterprise principles: (i) commercial objective; (ii) measurable performance; (iii) responsible management; (iv) transparent performance; and (v) monitored performance.⁴³ The Government expects that the Act helps to improve governance, accountability, and transparency of SOEs, and to strengthen its commercial mandate.⁴⁴

3.86. The new Act defines a "public enterprise" as an entity that is (i) controlled by the Government; and (ii) specified in the Act or designated as a public enterprise by the Minister subject to the approval of the Cabinet.⁴⁵ The Minister may designate an entity as a public enterprise if it is in the public interest that the entity is governed by the public enterprise principles above.⁴⁶ As at August 2022, there are listed 13 public enterprises in Fiji. There are also 11 enterprises not listed as public enterprises whose board members are appointed by the Government. Such enterprises operate in various sectors of both infrastructure services and commercial activities (Table 3.4).

3.87. During the review period, Fiji carried out a partial divestment of two entities. The Government divested 59% of its shares of the Fiji Ports Corporation Ltd (FPCL) in November 2015

³⁸ 2010 Act, Section 56.3.

³⁹ ADB, *Fiji: Supporting Competition Policy and Law Reform*. Viewed at: <https://www.adb.org/projects/53289-001/main>.

⁴⁰ WTO document G/STR/N/4/FJI, 19 February 1999.

⁴¹ According to the authorities, an SOE is a corporatized entity with a commercial mandate in which the State holds a controlling equity stake.

⁴² This Act repealed the Public Enterprise Act 1996.

⁴³ Public Enterprises Act 2019, Sections 3 and 6.

⁴⁴ Parliament of the Republic of Fiji, *Report on the Public Enterprises Bill 2019 (Bill No. 4 of 2019)*. Viewed at: <https://www.parliament.gov.fj/wp-content/uploads/2019/05/Standing-Committee-Justice-Lawa-Human-Rights-Report-on-the-Public-on-Public-Enterprises-Bill-2019.pdf>.

⁴⁵ Public Enterprises Act 2019, Section 8.1. (The Act abolished the categories of "government commercial companies" and "commercial statutory authorities".)

⁴⁶ Public Enterprises Act 2019, Section 9.1.

(Section 4.4.3).⁴⁷ In March 2021, the Government also divested 24% of its shares in Energy Fiji Ltd (EFL) while it remains as a majority shareholder (51%) (Section 4.2).⁴⁸

3.88. Fiji aims to promote public-private partnerships (PPP) with a view to implementing priority investment and infrastructure projects in line with the Government's development objectives. In 2016, Fiji repealed the Public Private Partnerships Act 2006 with a view to, *inter alia*, eliminating certain restrictions that discouraged investment. This Act was subsequently substituted by Public Private Partnership Policy 2019.⁴⁹ The new PPP Policy sets out items such as (i) definition; (ii) objectives and scope; (iii) processes and approvals; (iv) institutional responsibilities for PPPs; (v) PPP commercial principles; and (vi) fiscal management and accounting for PPPs. In 2020, the Government also published a detailed implementation guideline within the 2019 policy framework.⁵⁰

Table 3.4 State-owned enterprises, 2023

Category/entity	Core activities and social obligations	Government shareholding (%)
Public enterprises		
Fiji Airports (FA) ^a	Manages the operation of Nadi and Nausori international airports as well as 13 other outer island airstrips in Fiji	100
Fiji Broadcasting Corporation Ltd (FBCL) ^b	Operates six commercial radio stations (two of which are classified as public service broadcast stations) and television services	100
Fiji Hardwood Corporation Ltd (FHCL)	Is responsible for managing all operations regarding the planting, growing, harvesting and sale of mahogany timber on mahogany plantation land	100
Fiji Public Trustee Corporation Ltd (FPTCL) ^c	Provides trust and estate administration services together with relevant legal services	100
Food Processors (Fiji) Pte Ltd (FPFL) ^d	Provides processing and value added of locally grown agro-food (e.g. fruits, vegetables, seafood, and root crops) for sale in the local and export markets	100
Post Fiji Ltd (PFL)	Provides postal, courier, and agency services, and post shop operations	100
Fiji Rice Pte Ltd (FRL)	Provides milling and sale of rice and poultry feed	100
Unit Trust of Fiji (Management) Ltd (UToFML)	Administers and makes investment decisions for the Trust and its clients including the Government	100
Yaqara Pastoral Company Pte Ltd (YPCL)	Engages in livestock farming, sugar cane, and other horticultural production	100
Biosecurity Authority of Fiji (BAF)	Manages quarantine controls at the borders to minimize the risk of exotic pests and diseases entering Fiji, and provides import and export inspection and certification to help retain Fiji's favourable animal, plant, and human status and wide access to overseas export markets	100
Fiji Meats Industry Board (FMIB)	Operates public slaughtering facilities for the protection, preservation, and expansion of the meat industry in Fiji, and purchases and trades in livestock, meat, and by products	100
Pacific Fishing Company Pte Ltd (PAFCO)	Processes loin and fish (tuna) canning for local and overseas markets	99.6
Fiji Coconut Millers Pte Ltd (FCML) ^e	Manufactures and distributes coconut oil and other related products	96.0

⁴⁷ For FPCL, 20% was divested to Sri Lankan conglomerate Aitken Spence PLC and 39% to the Fiji National Provident Fund (FNPF).

⁴⁸ In April 2018, 5% of non-voting shares were offered to EFL's eligible domestic account holders at nil cost. In October 2019, 20% shares were divested to the FNPF with the Government retaining 75%. In addition to the 24% of shares divested by the Government in 2021, the FNPF also sold its interest to the new shareholder Sevens Pacific Pte Ltd (which now holds 44% shareholding) in EFL.

⁴⁹ Ministry of Economy, *Public Private Partnership Policy 2019*. Viewed at: <https://www.economy.gov.fj/images/PublicEnterprise/Revised-PPP-Policy.pdf>.

⁵⁰ Ministry of Economy, *Public Private Partnership Implementation Guideline 2020*. Viewed at: <http://www.economy.gov.fj/images/Resources/DebtReport/ADB/PPP-Implementation-Guideline-2020.pdf>.

Category/entity	Core activities and social obligations	Government shareholding (%)
Not listed as public enterprises		
Housing Authority	Produces lots and housing units, and provides mortgage financing for low-income customers	100
Public Rental Board	Provides and manages rental housing for low- and middle-income earners	100
Water Authority of Fiji	Provides access to drinking water and waste-water services to more than 700,000 people	100
Viti Corp Corporation Ltd	Leasing of land and property for agricultural and other purposes	100
Maritime Safety Authority of Fiji	Oversees and acts as a regulator for the maritime sector	100
Fiji Pine Ltd	Owns and operates sawmills and chip plants, and produces woodchips	99.8
Fiji Sugar Corporation Ltd	Is a sugar milling company with the monopoly on production of all raw sugar in Fiji	68.0
Energy Fiji Ltd (EFL)	Provides energy solutions to customers in Fiji through the use of all types of energy sources	51.0
Air Pacific Ltd T/A Fiji Airways & Subsidiaries (FA)	Operates international and domestic airline services in the Pacific, North America, and Japan	51.0
Air Terminal Services (Fiji) Ltd	Is the only ground-handling company and flight catering operation in Fiji that provides total ground-handling services	51.0
Fiji Ports Corporation Ltd (FPCL)	Owns, operates, and has regulatory oversight for all declared ports in Fiji	41.0

- a Fiji Airports. Viewed at: http://www.airportsfiji.com/corporate_profile.php#:~:text=FA%20owns%20and%20manages%20Nadi,80%25%20of%20which%20are%20tourists.
- b Fiji Broadcasting Corporation, *About the FBC*. Viewed at: <https://www.fbcnews.com.fj/about/>.
- c Fiji Public Trustee Corporation Ltd, *About Us*. Viewed at: <https://fijipublictrustee.com/about-us/>.
- d Food Processors, *FPFL Products*. Viewed at: https://www.foodprocessors.com.fj/FPFL_Products.aspx.
- e Fiji Coconut Millers Ltd. Viewed at: <http://www.coconut.com.fj/mission/>.

Source: Information provided by the authorities.

3.3.6 Government procurement

3.89. Fiji is not a party or an observer to the WTO plurilateral Agreement on Government Procurement (GPA). During the review period, Fiji did not conclude any agreements with its trading partners concerning government procurement.

3.90. The Financial Management Act 2004 and its subsidiary legislation, the Procurement Regulations 2010, continue to provide a general regulatory framework for government procurement. The Fiji Procurement Office (FPO) in the Ministry of Economy is mandated to regulate and administer the procurement of goods, services, and works for the Government.⁵¹ Such mandates include formation of appropriate procurement policies, as well as monitoring compliance of procurement functions and activities across the Government. The Government Tender Board (GTB) is responsible for approving all procurement of goods, services, and works valued at FJD 50,001 or more.⁵² Procurements valued at FJD 50,000 or less do not require tender.⁵³ Procurement below FJD 50,000 is managed by various ministries. An amendment to the Act came into force in 2021 through the Financial Management (Amendment) Act 2021.

3.91. The previous Secretariat Report describes Fiji's current procurement proceedings under the Procurement Regulations 2010 in detail.⁵⁴

3.92. In July 2021, Fiji enacted an amendment to the Financial Management Act 2004 to allow the Procurement Regulations 2010 to prescribe matters that are necessary or convenient for the

⁵¹ Procurement Regulations 2010, Regulation 5.

⁵² Procurement Regulations 2010, Regulation 9. In August 2020, Fiji increased the number of GTB board members from four to six. See Procurement (Amendment) Regulations 2020.

⁵³ Procurement Regulations 2010, Regulation 29.

⁵⁴ WTO document WT/TPR/S/330/Rev.1, 26 April 2016, paras. 3.97-3.109.

purposes of procurement. Specifically, the Regulations prescribe matters including (i) guiding principles that govern procurement; (ii) establishment and functions of a central regulation and administration office as well as the approving authorities for procurement; (iii) general control of procurement including the process of sourcing from planning to disposal; and (iv) disclosure and reporting requirements for procurement for budget sector agencies.⁵⁵ The authorities state that there is an ongoing review of the Procurement Regulations by the ADB to align the regulations to amendments to the Financial Management Act. According to the authorities, the ADB finished a protracted stakeholder engagement in Fiji in 2022 and is currently working on producing the first draft of the amended Procurement Regulations. There are plans to add sustainable procurement provisions and a procurement code of conduct, and to clarify conditions for excluding suppliers from a procurement process (debarment, suspension, and disqualification). Additionally, existing procedures are being examined considering best practices to make sure they are clear and produce an effective and efficient procurement system under changing business conditions.

3.93. In FY2021/22, the GTB approved 179 projects under its procurement regime (Table 3.5). Most of the approved projects were concentrated in the construction and civil works sector. The total value of approved contracts amounted to FJD 72.31 million, of which domestic suppliers and contractors accounted for 86.1%.

Table 3.5 Key indicators of government procurement, FY2018/19-FY2021/2022

	FY2018/19	FY2019/20	FY2020/21	FY2021/22
Number of projects	311	196	242	179
Contract value (FJD million)	391.90	67.29	70.53	72.31
Breakdown by category				
Goods	20	23	43	12
Services	20	4	17	41
Works	59	73	40	47
Local share (contract value, %)	..	72.24	55.94	86.1

.. Not available.

Note: The figures are based on Fiji's fiscal year, which starts on 1 August and ends on the following 31 July.

Source: Fiji Procurement Office, *Annual Report*, various editions (2019/2020, 2020/2021, 2021/2022). Viewed at: <https://www.fpo.gov.fj/index.php/about-us3/annual-statistics>.

3.94. During the review period, Fiji accelerated digitalization of the tender process with a view to increasing its accessibility, efficiency, and transparency. In June 2018, the Government introduced an online e-tendering website where it publishes invitations to tender, proposals, expressions of interest, and quotation requests.⁵⁶ In 2019, the internal evaluation of government tender became available online. In 2021, the Government began to provide online tender status tracking tools.⁵⁷

3.95. As for tender participation, the FPO analyses in its latest publication that there is a significant increase in tender participation compared to previous years.⁵⁸ More tender documents are downloaded from the e-tender portal, indicating the interest from suppliers in government tenders. The number of bids submitted per tender was seven in FY2021/22. The FPO intends to help convert more downloads to actual submissions by running workshops for potential suppliers, especially SMEs.

3.96. There is no set procedure for dealing with domestic and overseas providers. When market research and procurement plans show the need to choose a local supplier, ministries may specify their choice in the tender documents.

⁵⁵ Financial Management (Amendment) Act 2021, Section 21.

⁵⁶ Ministry of Economy, *Online E-tendering Website*. Viewed at: <https://portal.tenderlink.com/economyfiji/login?ReturnUrl=%2Feconomyfiji>.

⁵⁷ Ministry of Economy, *Online Tender Status Tracking*. Viewed at: <https://www.fpo.gov.fj/index.php/for-suppliers/tender-status>.

⁵⁸ Fiji Procurement Office, *Annual Reports (2021/2022)*. Viewed at: <https://www.fpo.gov.fj/index.php/about-us3/annual-statistics>.

3.3.7 Intellectual property rights

3.97. Fiji's intellectual property (IP) regime is mainly governed by the Patents Act 1879, the Trade-Marks Act 1933, and the Copyright Acts 1999. During the review period, Fiji did not make substantive amendments to these instruments. The previous Secretariat Report provides the overviews of these Acts in detail.⁵⁹

3.98. However, in August 2021, the Parliament passed three key pieces of legislation: the Patents Act 2021, the Trademarks Act 2021, and the Designs Act 2021. At the time of writing, these Acts were not force, and the Government did not publish any subsidiary legislation. Nonetheless, the authorities state that this is a priority for the Government, and it will be addressed as soon as possible.

3.99. The Fiji Intellectual Property Office (FIPO) falls under the purview of the Solicitor-General. As such, the administration and implementation of IP legislation falls under the responsibility of the Solicitor-General in its capacity as Commissioner of the FIPO.

3.100. In March 2016, the WTO TRIPS Council concluded its review of Fiji's IP laws and regulations under Article 63.2 of the TRIPS Agreement.⁶⁰ During the review process, Fiji answered 83 questions filed by Canada, the European Union, Japan, Switzerland, and the United States. In May 2017, Fiji notified its acceptance of the Protocol amending the TRIPS Agreement concerning patents and public health.⁶¹

3.101. Fiji remains a party to four World Intellectual Property Organization (WIPO) treaties: the WIPO Convention, the Berne Convention (for the Protection of Literary and Artistic Works), the Rome Convention (for the Protection of Performers, Producers of Phonograms and Broadcasting Organizations), and the Geneva Convention (for the Protection of Producers of Phonograms against Unauthorized Duplication of their Phonograms).⁶² On 2 September 2020, the Government approved the following IP treaties for ratification: (i) the Madrid Agreement Concerning the International Registration of Marks 1981 (Madrid Agreement); (ii) the Protocol Relating to the Madrid Agreement (Madrid Protocol); and (iii) the Paris Convention for the Protection of Industrial Property. Fiji is currently in discussions with WIPO regarding the deposit of the instruments of ratification.

3.3.7.1 Patents

3.102. Under the Patents Act 2021, Fiji has updated and modified the existing legislative framework concerning patents by repealing the Patents Act 1879. In doing so, the Government aims to, *inter alia*: (i) provide an efficient and effective patent system that strikes a balance between the interest of investors/patent owners and the interest of society in line with Fiji's international obligations; and (ii) ensure that a patent is granted for an invention only in appropriate circumstances based on clear criteria and procedures.⁶³

3.103. Under the Patents Act 2021 (Sections 51 and 200), the Solicitor-General, who acts as the Commissioner of Patents under the Act, examines patent applications. A patent is granted for an invention only if the invention is (compared with the prior art base) novel, involves an inventive step, and is useful.⁶⁴

3.104. The Act introduces several provisions that benefit patent applicants and owners. For example, the Act stipulates a 1-year grace period for disclosure of invention prior to the filing⁶⁵,

⁵⁹ WTO document WT/TPR/S/330/Rev.1, 26 April 2016, paras. 3.119-3.133.

⁶⁰ WTO document IP/Q/FJI/1, IP/Q2/FJI/1, IP/Q3/FJI/1, IP/Q4/FJI/1, 20 May 2016.

⁶¹ WTO document WT/Let/1254, 17 May 2017.

⁶² WIPO, *Country Profiles: Fiji*. Viewed at:

https://www.wipo.int/directory/en/details.jsp?country_code=FJ.

⁶³ Patents Act 2021, Section 3.

⁶⁴ Patents Act 2021, Section 12.

⁶⁵ Patents Act 2021, Section 7.

extension of the term of patent (from 14 years under the current Act to 20 years)⁶⁶, priority right and application⁶⁷, and divisional application.⁶⁸

3.105. The Patents Act 2021 established a compulsory licensing system: any person may apply to the High Court of Fiji for the grant of licence under a patent on the grounds that a market for the patented invention is not being supplied in Fiji or is not being supplied on reasonable terms in Fiji.⁶⁹ In case of default of an agreement between the licensee and the patentee on the amount of remuneration payable to the latter, the High Court is empowered to determine the amount.⁷⁰ Although a compulsory licence is limited to the supply of the patented invention predominately in Fiji, the High Court may order a grant of licence for export of pharmaceutical products to certain countries under several conditions.⁷¹

3.106. The Act provides definitions of key terms such as "novel", "innovative step", "prior art base", and "useful".⁷² The Act denies patentability of an invention when its commercial exploitation is contrary to public order and morals. Other non-patentable inventions include, *inter alia*: (i) diagnostic, therapeutic, and surgical methods of treatment of human beings; (ii) natural substances; and (iii) plants, animals (other than micro-organisms), and essentially biological processes.⁷³

3.107. Unlike the Patents Act 1879, under the Patents Act 2021, UK patents will no longer be registered as a right. UK applicants will be required to undergo the application process as any other applicant would under normal circumstances. UK patent applications received by the Solicitor-General before the commencement of the Patents Act 2021 will be registered pursuant to the Patents Act 1879, if qualified.

3.3.7.2 Trademarks

3.108. Under the Trademarks Act 2021, the Government aims to bring its outdated trademarks regime into conformity with Fiji's international legal commitments including the TRIPS Agreement.⁷⁴ The new Act repeals the Trade-Marks Act 1933 and the Merchandise Marks Act 1933. The new Act aims to (i) define the scope or rights protected by registered trademarks; (ii) specify the procedures for registering trademarks in Fiji; (iii) deter counterfeit activity in relation to registered trademarks in Fiji; and (iv) ensure that Fiji's trademark regime takes account of international developments, particularly in relation to the Paris Convention and the Madrid System.⁷⁵

3.109. While the Trade-Marks Act 1933 permits a trademark only in connection to goods, the Trademarks Act 2021 provides that a trademark is registrable in respect of particular goods and/or services within one or more classes.⁷⁶ With regard to the method of classification of goods and services, the new Act stipulates that the classification must be done according to the Nice Classification in effect at the time of application for the registration of the trademark.⁷⁷

3.110. Under the Trademarks Act 2021, registrability of certification trademarks as well as of collective trademarks is also permitted.⁷⁸ The Act provides that the registration of a trademark containing or consisting of a geographical indication (GI) may be opposed on certain grounds, including, *inter alia*, that it is likely to deceive or cause confusion.⁷⁹ In this connection, the Act also

⁶⁶ Patents Act 2021, Section 18.

⁶⁷ Patents Act 2021, Sections 44-49.

⁶⁸ Patents Act 2021, Section 32.

⁶⁹ Patents Act 2021, Section 153. This application may be accepted at any time after the later of the expiry of three years from the date that the patent is granted, or the expiry of four years from the patent date.

⁷⁰ Patents Act 2021, Section 158.

⁷¹ Patents Act 2021, Section 154.

⁷² Patents Act 2021, Sections 4, 5, 6, and 8.

⁷³ Patents Act 2021, Section 14.

⁷⁴ Parliament, Daily Hansard (19 August 2021). Viewed at: <https://www.parliament.gov.fj/wp-content/uploads/2021/08/Daily-Hansard-Thursday-19th-August-2021.pdf>.

⁷⁵ Trademarks Act 2021, Section 3.

⁷⁶ Trademarks Act 2021, Section 9.1.

⁷⁷ Trademarks Act 2021, Section 26.

⁷⁸ Trademarks Act 2021, Sections 10 and 11.

⁷⁹ Trademarks Act 2021, Section 16.

prescribes additional protection for wines and spirits. The Solicitor-General, who acts as the Commissioner of Trademarks under the Trademarks Act 2021, examines a registration application to determine whether it complies with the requirements.⁸⁰ The duration of the registration of a trademark is effective for a period of 10 years from the deemed date of registration.⁸¹ The registration may be renewed for a further period of 10 years.⁸² The Trademarks Act 2021, unlike its predecessors, does not recognize re-registration of UK trademarks.

3.111. Unlike the Trade-Marks Act 1933, the Trademarks Act 2021 has new provision for the registration of smell, sound, taste, ticket, collective, and certification trademarks. It also provides a definition for geographical indications unlike the previous law, which will provide clarity for the trademark examiners. Additionally, recourse is available under the Trademarks Act 2021 for counterfeit trademark goods (Section 116). The international registration of trademarks pursuant to the Madrid Protocol is also provided for under the Trademarks 2021 Act, once Regulation is prescribed by the Minister.

3.3.7.3 Copyrights

3.112. There have been no changes to the Copyright Act 1999 since the last amendments made in 2009. The Fiji Performing Rights Agency (FPRA) is Fiji's collective management organization. Since it is a privately owned entity and not part of the Government, FPRA is not required to disclose any information to the Government regarding its fees. Furthermore, the Copyrights Act 1999 does not require copyrights to be registered. Since there are no specific provisions for the exhaustion regime for copyright and related rights, the international exhaustion doctrine that a copyright owner's right to control copies of his or her work "exhausts" on its first sale by the copyright owner, or the first sale with their consent, applies.

3.3.7.4 Industrial designs

3.113. Under the current IP regime, Fiji does not provide for the protection of industrial designs.⁸³ However, the Designs Act 2021 sets out a legal framework under which a design may be registered and protected under certain conditions.⁸⁴

3.114. A design may be registered in respect of any article or set of articles only if it is new or original.⁸⁵ Upon the filing of a registration application, the Solicitor-General, who acts as the Commissioner of Designs under the Act, determines whether a design is new or original in the proceedings for registration.⁸⁶ The Commissioner may refuse to register a design the use of which, in his or her opinion, is contrary to law or morality.⁸⁷

3.115. Once registered, the registration of a design gives to the registered owner the exclusive right in Fiji to carry out various business activities to deal with any article in respect of which the design is registered.⁸⁸ The term of registration of a design is for a period of five years from the date of registration.⁸⁹ After the expiration of the original period, the term of registration may be extended

⁸⁰ Trademarks Act 2021, Section 34.

⁸¹ Trademarks Act 2021, Section 52.

⁸² Trademarks Act 2021, Section 53. Under the Trade-Marks Act 1933, a national trademark registration needs to be renewed after 14 years, while the UK registration can be renewed upon the renewal of the original UK registration.

⁸³ The United Kingdom Designs (Protection) Act 1936 exceptionally stipulates that any design registered in the United Kingdom shall enjoy in Fiji the like privileges and rights as though the certificate of registration in the United Kingdom had been issued with an extension to Fiji.

⁸⁴ The Act defines "design" as "features of shape, configuration, pattern, or ornament applied to an article by any industrial process or means, being features which in the finished article give the article its overall appearance but does not include a method or principle of construction or features of shape or configuration which are dictated solely by the function which the article to be made in that shape or configuration has to perform" (Part 1).

⁸⁵ Designs Act 2021, Section 7.

⁸⁶ Designs Act 2021, Section 9.

⁸⁷ Designs Act 2021, Section 61.

⁸⁸ Designs Act 2021, Section 13.

⁸⁹ Designs Act 2021, Section 14.1.

for another five years if an application for extension for the second period is made in the prescribed manner with the necessary fee.

3.116. The new Act includes a provision on compulsory licence in respect of registered design.⁹⁰

3.3.7.5 Enforcement and border measures

3.117. According to the authorities, the FRCS with its current legislation cannot act or detain any IPR-infringing item if the IP holder does not lodge a valid notice of their property. Fiji lacks resources for IPR enforcement at the border, as its officers do not have adequate knowledge, training, or experience in IPR. There is not a specific team within the FRCS to enforce IPR laws at the border.

3.118. The introduction of three new pieces of legislation in Parliament on 19 August 2021 in relation to IPR is considered to be a timely intervention for Fiji to take one further step towards enforcement. While the legislation has been passed, there is no commencement date given as of yet; therefore, the laws are still not in effect in Fiji.⁹¹

⁹⁰ Designs Act 2021, Section 16.

⁹¹ The three pieces of legislation are the Trademarks Act (Act No. 36 of 2021); the Patents Act (Act No. 37 of 2021); and Designs Act (Act No. 38 of 2021).

4 TRADE POLICIES BY SECTOR

4.1 Agriculture, forestry and fisheries

4.1. Between 2016 and 2021, the annual contribution of agriculture, forestry, and fisheries to Fiji's GDP averaged 14.7%; the sector employs, directly or indirectly, close to two thirds of the labour force.¹ Subsistence farming and sugarcane production have traditionally been important for Fiji's agriculture.²

4.1.1 Agriculture

4.1.1.1 Main features

4.2. While waters (including mineral waters) continued to account for around one third of the total agricultural export, sugar in solid form, including cane sugars, decreased its share by about 10 percentage points between 2016 (19.4%) and 2021 (9.7%) (Table 4.1). Among major export items, plants primarily used in perfumery, pharmacy, or for insecticidal or similar purposes (mainly kava) and molasses resulting from the extraction or refining of sugar increased substantially. Fiji is a net importer of agricultural products. Main import items include wheat and meslin, rice, concentrated milk and cream, sheep and goat meat, and soya bean oil. Rice is one of the major sources of calories in Fiji; its supply remains largely dependent on imports from, *inter alia*, Viet Nam, China, and Thailand.³ Fiji's rice self-sufficiency ratio was 16% in 2020.⁴

4.3. According to the authorities, agriculture in Fiji is characterized by the large subsistence sector, the predominance of small farms (of less than one hectare), low mechanization, high input costs, poor farming and husbandry practices, inadequate infrastructure, marketing inefficiencies, and lack of access to credit.

Table 4.1 Trade in major agricultural products^a, 2016-21

HS code	2016	2017	2018	2019	2020	2021
Agricultural exports (WTO definition) (USD million)	288.3	358.6	331.4	327.0	272.7	316.4
% of total exports	31.3	34.6	32.9	33.9	33.0	38.8
Top 10 exports at HS 4-digit level (% of total agricultural exports)						
2201 Waters, excluding added sugar	35.5	32.9	38.0	41.6	25.1	33.0
1701 Cane or beet sugar and chemically pure sucrose, in solid form	19.4	24.2	11.4	14.1	17.0	9.7
1905 Sweet biscuits and other bakers' ware	6.7	5.5	5.6	6.3	8.0	7.2
1211 Plants, primarily used in perfumery, pharmacy or for insecticidal or similar purposes	2.3	2.7	4.5	4.7	6.5	6.0
0714 Manioc, taro and similar roots	4.3	3.3	3.7	3.9	4.9	4.8
0910 Ginger, turmeric and other spices, mixtures thereof	2.9	1.7	1.4	1.7	3.8	4.7
1703 Molasses resulting from the extraction or refining of sugar	0.9	2.4	2.2	2.0	3.5	4.1
1101 Wheat or meslin flour	4.9	3.7	4.0	4.2	4.8	3.9
1904 Prepared foods obtained by swelling or roasting cereals or cereal products	1.8	1.5	1.8	2.1	2.5	3.2
1902 Pasta	1.5	1.4	1.8	1.7	2.2	2.3
Agricultural imports (WTO definition) (USD million)	354.3	372.8	420.1	395.6	354.3	411.4
% of total imports	15.4	15.5	15.4	14.2	20.5	19.4
Top 10 imports at HS 4-digit level (% of total agricultural imports)						
1001 Wheat and meslin	12.6	11.8	10.8	13.8	14.5	12.8
1006 Rice	5.5	5.3	5.3	5.0	6.7	7.4
0402 Milk and cream, concentrated or sweetened	6.6	5.9	6.3	6.5	6.9	6.8
0204 Meat of sheep or goats, fresh, chilled or frozen	5.8	6.1	6.4	6.0	5.4	5.7

¹ International Fund for Agricultural Development (IFAD), *Fiji*. Viewed at: <https://www.ifad.org/en/web/operations/w/country/fiji>.

² Food and Agriculture Organization of the United Nations (FAO) (2016), *County Profile – Fiji*. Viewed at: <https://www.fao.org/3/CA0385EN/ca0385en.pdf>.

³ Ministry of Agriculture, *2020 Key Statistics on Fiji Agriculture Sector*. Viewed at: <https://www.agriculture.gov.fj/documents/stats/2020KEYSTATISTICS.pdf>.

⁴ The figure is provisional.

HS code	2016	2017	2018	2019	2020	2021
1507 Soya bean oil and its fractions	2.6	2.4	2.1	1.8	2.6	2.9
2106 Food preparations, n.e.s.	2.2	2.0	2.5	2.8	2.6	2.9
0701 Potatoes, fresh or chilled	3.9	4.4	3.7	3.3	3.6	2.8
2309 Preparations of a kind used in animal feeding	3.1	2.4	2.4	2.9	2.6	2.7
1517 Margarine; edible preparations of animal or vegetable fats and oils	2.1	1.9	2.0	2.1	2.3	2.6
0703 Onions, shallots, garlic, leeks and other alliaceous vegetables, fresh or chilled	3.3	2.7	2.1	2.9	2.6	2.6

Note: Top 10 agricultural exports and imports by HS 4-digit are sorted by the year 2021.

Source: WTO Secretariat calculations, based on trade figures from UN Comtrade database.

4.4. Fiji's agricultural sector is highly vulnerable to natural disasters and climate change. In 2020, the agriculture sector suffered losses estimated at FJD 146.5 million with 75% crop damage during Tropical Cyclone Yasa.⁵

4.5. Fiji's land tenure system continues to affect its agricultural growth. About 90% of the land is "iTaukei land" (owned by tribal groups), which cannot be sold but only leased; 4% is held by the state ("state land"); and the remaining 6% is purchased, transferred, or leased subject to certain conditions ("freehold land").⁶ The iTaukei Land Trust Board (TLTB) administers the leasing of native land for agricultural use on behalf of the iTaukei owners.⁷ Leases for commercial agriculture shall be for a minimum term of 30 years⁸ with a possibility of further extension. As obtaining a lease can be a cumbersome process, much native land remains idle, and given the uncertainty regarding the renewal of land leases, farmers have been reluctant to make further investments, causing production to decrease in certain sectors such as sugar cane and the dairy industry.

4.6. On 1 August 2021, Fiji amended the iTaukei Land Trust Act 1940 with a view to facilitating the administrative procedures relating to iTaukei land. Prior to the amendment, the Act required a lessee to obtain the consent of the TLTB when dealing with the leased iTaukei land in any manner (including sale, transfer, and sublease). However, the new Act exempts the lessee from this requirement for certain situations, namely mortgage, charge, pledge, or caveat on a lease under the Act or for any such lease to be dealt with by any court of law or under the process of any court of law.

4.1.1.2 Policy objectives

4.7. The Ministry of Agriculture is mainly responsible for the Government's policies related to agriculture. The Ministry aims to provide food and nutrition security, income, and employment through a modernized and resilient agriculture sector. To that end, the Ministry shapes its policies in line with a number of plans including the National Development Plan and the 5-year Strategic Development Plan (2019-2023).⁹ The authorities are currently reviewing the Plans.

4.8. The 5-year Strategic Development Plan (2019-2023), linked to the National Development Plan and the Sustainable Development Goals (SDGs), sets out five strategic priorities: (i) improve food and nutrition security for all citizens of Fiji; (ii) increase farmer household income for sustainable livelihoods; (iii) increase adoption of sustainable resource management and climate smart agriculture; (iv) establish and improve commercial agriculture; and (v) improve quality public sector performance and service delivery. In relation to the fourth priority, the Plan indicates that Fiji undertakes various measures including securing farmers' access to financial assistance (loans, grants, insurance, and basic financial services), promotion of agri-business participation by young farmers, development and improvement assistance for agro-processors and exporters,

⁵ Government of Fiji (2021), "Natural Disasters Leading Cause of Food Insecurity", 23 October. Viewed at: <https://www.fiji.gov.fj/Media-Centre/News/NATURAL-DISASTERS-LEADING-CAUSE-OF-FOOD-INSECURITY>.

⁶ iTaukei Land Trust Board (TLTB), *Land Ownership in Fiji*. Viewed at: [https://www.tltb.com.fj/getattachment/Media/Brochures/Land-Ownership-in-Fiji-Booklet-\(1\).pdf.aspx?lang=en-US](https://www.tltb.com.fj/getattachment/Media/Brochures/Land-Ownership-in-Fiji-Booklet-(1).pdf.aspx?lang=en-US).

⁷ The governing pieces of legislation are iTaukei Land Trust Act 1940 and the Agricultural Landlords and Tenants Act 1966.

⁸ TLTB, *Agricultural Leases*. Viewed at: <https://www.tltb.com.fj/getattachment/Media/Brochures/Agriculture-Leases.pdf.aspx?lang=en-US>.

⁹ Other plans include People's Charter for Change, Green Growth, National Climate Change Policy, and National Adaptation Plans. Ministry of Agriculture, *5-year Strategic Development Plan (2019-2023)*. Viewed at: <https://www.agriculture.gov.fj/documents/SDP2019-2023.pdf>.

capacity-building of farmers, and establishment of processing plants that facilitate post-harvest and value-added activities. According to the authorities, the mid-term review of the Strategic Development Plan was conducted by the Economic Policy and Statistics Division led by the Monitoring and Evaluation Section with technical assistance from the European Union Delegation under the Fiji Sustainable Rural Livelihoods programme and the FAO.

4.1.1.3 Support measures

4.9. The Ministry of Agriculture implemented several supporting measures during the review period. On 4 August 2022, the Ministry announced the FY2022/23 agricultural support programme, with a view to promoting agricultural development through increased productivity and boosting foreign exchange earnings from the sector.¹⁰ The Ministry allocated to the programme FJD 29.2 million, which is equivalent to around 45% of the FY2022/23 Ministry's budget. The programme is composed of 28 sub-programmes that feature both newly introduced and existing development initiatives (Table 4.2).¹¹

4.10. The Agro Marketing Authority (AMA) remains a state-governed entity, which aims to bridge the gap between local farmers and the market and serve the inaccessible and uneconomical rural, remote, and maritime farming communities of Fiji through the purchase, sale and export of agricultural products. In FY22 (fiscal year 2021-22), FJD 4.7 million of agriculture and aquaculture produce was purchased from 14 provinces in Fiji, an increase of 29% for the same period of the previous year. Sales increased by 28%, from FJD 3.9 million in FY21 to FJD 5.1 million in FY22. Export consignments increased by 28%, from 75 consignments in FY21 to 96 consignments in FY22. Major export destinations include Australia, New Zealand, and the United States. The AMA supplies local government institutions, hospitals, schools, supermarkets, and hotels. A total of 3,245 farmers were assisted through procurement of their produce.

Table 4.2 Support measures between FY2021/22-FY2022/23

Name of initiative	
Water Tank Support Programme	Land Preparation for Young Farmers
Stockyard Farming Support Packages	Commercial Farmers Equity Package
Infrastructure Support to Exporters and Agro-Processors	Hydroponic System Programme
Farm Mechanization Initiatives	Fruit Tree Orchard
Irrigation Kit	Fencing Kits – Beef/Sheep/Goat Cattle Farms
Small Farming Equipment and Agro-Processing Machine	Women in Agriculture
Equity Support to Agro-Exporters	Piggery Pen Initiative
Small Holder Dairy Support	Farming Mechanization
Poultry Shed Package Support	Commercial Yaqona Farmers Support
Farm Shed Establishment Package	Beef Stock Yard Support
Borehole Support Programme	Draught Animal Initiative
Goat Rearing Farm Package	Organic Farming Assistance Programme
Sheep/Goat Shed Package	Home – Biogas Digester Initiatives
Pig Farrowing Crate Support	

Source: Ministry of Agriculture, *Programme Prospectus 2022-2023*. Viewed at: <https://www.agriculture.gov.fj/agriprograms.php>.

4.11. Tariffs continue to be the main border assistance measure. The simple average applied MFN tariff on agriculture was 7.5 % in 2022 (17.5% taking into account *ad valorem* equivalents (AVEs) based on 2020 prices), down from 12.5% in 2015 (18.9% including AVEs based on 2013 prices) (Section 3.1.4). The product group "beverages and tobacco" commanded the highest applied tariffs. Fiji does not apply tariff quotas nor has it resorted to special safeguard measures for agricultural products. Fiji's simple average final bound tariff for agriculture is 40.5%.

4.12. Fiji did not make any domestic support reduction commitments under the WTO Agreement on Agriculture. In February 2016, Fiji notified that it did not grant or maintain any export subsidies

¹⁰ Ministry of Agriculture, *2022-2023 Financial Year Agriculture Development Programmes Announced*. Viewed at: <https://www.agriculture.gov.fj/pressdetail.php?id=432>.

¹¹ Ministry of Agriculture, *Farmers Urged to Apply Online for Agricultural Programmes*. Viewed at: <https://www.agriculture.gov.fj/pressdetail.php?id=447>.

within the meaning of Article 9.1 of the Agreement on Agriculture between 2012 and 2015.¹² In March 2016, Fiji also notified "green box" domestic support measures (subsidies) applied between 2010 and 2015.¹³

4.13. Fiji offers several tax incentives to attract investment in the agricultural sector.¹⁴ Commercial farming and agro-processing businesses, approved and established between 1 January 2009 and 31 December 2028, enjoy income tax exemption for 5, 10, 15, or 20 fiscal years depending on the amount of capital invested. Businesses undertaking a new activity in processing agricultural commodities into bio-fuels, as approved by the Chief Executive Officer of the Fiji Revenue and Customs Service between 1 January 2009 and 31 December 2028, shall be exempted from tax for 5, 7, or 13 years according to the amount of capital invested. Fiji provides agricultural exporters with 90% export income deduction to help new and existing businesses venture into agriculture exports and increase access to international markets. This incentive is applicable until 31 December 2024. Moreover, importers of agricultural items, such as specialized machinery and equipment, may enjoy duty-free imports subject to certain conditions.

4.1.1.4 Sugar

4.14. Sugar production and related activities remain vital for Fiji's economy. The industry supports the well-being of about 20% of Fiji's population.¹⁵ During the review period, the amount of production and export as well as harvested area remained almost unchanged.¹⁶

4.15. The Ministry of Sugar Industry (MoSI) is responsible for the coordination of activities and functions of the varieties of institutions that make up the sugar industry (Table 4.3).

Table 4.3 Government support to the sugar industry, FY2020/21-FY2022/23

(FJD million)

Item	FY2020/21	FY2021/22	FY2022/23
Fertilizer subsidy	15.6	15.6	25.3
Maintenance of cane access roads	1.0	3.0	2.0
Sugar Cane Development and Farmers Assistance Program	1.2	0.5	1.0
Top-up cane payment/ guaranteed cane price	41.2	47.0	8.0
Cane transfer – Penang to Rarawai	3.0	3.8	5.0
SIT operating budget	0.5	0.4	0.4
SRIF operating budget	0.7	0.7	1.1
SCGC operating budget	0.6	0.6	0.8
Weedicide subsidy	3.2	0.5	0.6
New Farmer Assistance	0.3	0.3	0.0
Mill Mud Cartage	0.2	0.0	0.0
Total	67.3	72.2	44.2

Source: Information provided by the authorities.

4.16. In September 2017, the European Union terminated the application of country-specific quotas for sugar imports from African, Caribbean, and Pacific (ACP) countries. Subsequently, Fiji's share in the European Union's import of sugar (HS 1701) declined from 6.1% in 2017 to 1.6% in 2021 in terms of value.¹⁷ Fiji Sugar Corporation (FSC), a majority (68%) government-owned enterprise, seeks to find alternative markets, including regional and Asian markets, with a view to mitigating the impact of more severe export environments.

¹² WTO document G/AG/N/FJI/12, 4 March 2016.

¹³ WTO document G/AG/N/FJI/13, 9 March 2016.

¹⁴ Investment Fiji, *Investment Incentives: Agriculture*. Viewed at: <https://www.investmentfiji.org.fj/investment-incentives/agriculture>.

¹⁵ MoSI, *Annual Report (2018-2019)*. Viewed at: <https://www.sugar.gov.fj/wp-content/uploads/2020/12/2018-2019AnnualReport.pdf>.

¹⁶ MoSI, *Statistics*. Viewed at: <https://www.sugar.gov.fj/statistics/>.

¹⁷ WTO Secretariat calculations, based on trade figures from UN Comtrade database. Note that the United Kingdom was excluded from the European Union's import figure from February 2021 onward.

4.1.2 Fisheries

4.1.2.1 Main features

4.17. Fisheries accounted for 0.9% of GDP in 2021 (same in 2016). In terms of exports and re-exports in tonnes, fisheries accounted for around 10% of merchandise exports, which consisted mainly of frozen tuna, and (canned) prepared or preserved tuna in 2021.

4.18. Fisheries in Fiji comprise the following three sectors: coastal fisheries (subsistence and commercial); offshore fisheries; and aquaculture.¹⁸ Coastal subsistence fisheries, which occur in roughly 850 communities, provide foods predominantly for home use. Significant amounts of fish are given to the fishers' relatives and friends. Fishers also sell any valuable species captured if a market exists (e.g. lobster to a resort hotel).

4.19. The coastal commercial fisheries take place in lagoon, reef, deep-slope, and nearby open ocean waters. The boats used for these fisheries are relatively small (less than nine meters in length), and some of the fishing does not use a vessel. Although most of the landings are designated for the domestic market, some high-value species, such as snappers and lobsters, are exported.

4.20. Offshore fisheries account for about 90% of Fiji's fishery exports in recent years. They mainly involve the use of longline gear targeting a variety of species¹⁹, *inter alia*, tuna (albacore, yellowfin, and bigeye). They are caught for both domestic and overseas markets. The annual catch of offshore fisheries by the national longline fishing fleet showed a downward trend between 2017 and 2021. In 2021, the figure was 10,360 tonnes, recording a 19.0% decrease compared with the previous year (12,803 tonnes), and a 42.2% decrease compared with 2017 (17,933 tonnes).²⁰

4.21. Pacific Fishing Company Pte Ltd (PAFCO), a state-owned entity, remains the largest fish cannery in Fiji.²¹ The company's core business is loining of tuna for Bumble Bee Foods, a cannery based in the United States. PAFCO signed a seven-year Tuna Loin Processing Agreement in 2002 with Bumble Bee Foods. The Agreement has been extended three times, with the current extension effective in 2017 for a period of 10 years.²² PAFCO aims to expand its operation through more value adding, increased canning, expansion of the product range, and possible canning for contracted customers.

4.22. Aquaculture continues to grow and make an impact on the lives of the coastal and inland communities. The cultured species have expanded over the years.²³ The Ministry of Fisheries intends to support the sector to stimulate its capacity for significant growth, by helping both large- and small-scale production. To this end, the Ministry has plans in place to promote the cultured commodities produced to satisfy both domestic and international demands. The Ministry also aims to have domestic supplies of 1,000 tonnes of tilapia and 1,000 tonnes of shrimps under the Fisheries Strategic Development Plan 2019-2029 by, *inter alia*, developing fit-for-purpose legislation and developing joint venture initiatives with the private sector.

4.23. On 21 November 2019, the Aquaculture Strategy (as a part of the Ministry of Fisheries Strategic Development Plan 2019-2029) was launched as a strategic development plan for the fisheries sector. According to the Strategy, there is capacity for significant growth in the industry with supports from the Ministry of Fisheries to stimulate large and small-scale production.

4.1.2.2 Policy and legal framework

4.24. The Ministry of Fisheries is mainly responsible for policy formulation, implementation, and management of fisheries. The Offshore Fisheries Management Act (OFMA) 2012 and its subsidiary

¹⁸ Ministry of Fisheries, *Annual Report 2018-2019*. Viewed at: <https://www.parliament.gov.fj/wp-content/uploads/2021/07/46-Ministries-of-Fisheries-Fiji-Annual-Report-20182019.pdf>.

¹⁹ Other exports from offshore fisheries are snapper, swordfish, blue marlin, mahi mahi, and sunfish.

²⁰ Information provided by the authorities.

²¹ The Government owns 99.6% of its shares.

²² PAFCO, *Annual Report 2019*. Viewed at: <https://www.parliament.gov.fj/wp-content/uploads/2022/09/Pacific-Fishing-Company-Pte-Ltd-2019-Annual-Report.pdf>.

²³ Cultured species include tilapia, carp, freshwater, shrimp, milkfish, seaweed, giant clams, trochus, pearl oysters, beche-de-mer, sponges, mud crabs, and corals.

legislation, the Offshore Fisheries Management Regulations (OFMR) 2014, remain the main legislation regulating the fisheries sector.²⁴ Both instruments incorporate Fiji's international and regional obligations regarding the sustainable management of highly migratory fish stocks that pass through Fiji fisheries waters.

4.25. The OFMA 2012 aims to ensure sustainable management and use of fisheries. It applies to fishing and related activities by citizens of Fiji and foreigners. The Act stipulates provisions on, *inter alia* (i) functions of the relevant authorities; (ii) measures relating to fishery conservations, management, and development; (iii) licence and authorization requirements; (iv) monitoring, controlling, surveillance, and enforcement; (v) port measures, trans-shipment, and other services; and (vi) jurisdiction and evidence. Strengthened monitoring and surveillance procedures are also set out as high penalties and fines for breaches to deter potential offenders.

4.26. As for the function of relevant authorities, the Minister of Fisheries is mandated to provide general policy guidelines on fisheries matters, and to delegate responsibilities and give directions to the Permanent Secretary of Fisheries as legislated under the OFMA 2012. The Permanent Secretary may make allocations for any fishing activity, management plan, or access agreement, and is empowered to issue licences and set their conditions. The Director of Fisheries is responsible for preparing a Fisheries Management Plan. The OFMA 2012 also established the Offshore Fisheries Advisory Council to advise the Minister on policy matters relating to fisheries conservation, management, development, and sustainable use.

4.27. The Tuna Development and Management Plan has remained unchanged since Fiji's previous Review. It sets sustainable catch limits, an annual cap on the number of licences issued, and licence fees to support management of the fishery.

4.28. Virtually all offshore tuna fishing is done by longline vessels. Applicants can apply for a tuna longline fishing licence only after they have acquired or constructed a fishing vessel authorized by the Permanent Secretary.²⁵ Once the written authorization is issued, applicants must submit a proposal together with the relevant documents to complete the licence application. Only owners of vessels that are under exclusive charter arrangements (bareboat charter), where the local charterer assumes full control of the operation of the vessel, may apply for a licence to participate in Fiji fisheries. A licence or authorization to a vessel may be transferred to another vessel subject to certain conditions.²⁶

4.29. Every licence or authorization issued by the Permanent Secretary shall be valid for a period not exceeding 36 months from the date of issue.²⁷ Nonetheless, the OFMA 2012, which was amended and entered into force on 1 August 2021, stipulates that a licence issued to the owner or operator of a domestic fishing vessel shall be valid for 20 years provided that the owner or operator applying for the licence is a Fiji citizen or person ordinarily resident in Fiji.²⁸

4.30. Licences are allocated according to three categories of criteria: mandatory (all matters affecting the management of fisheries resources); corporate (all aspects pertaining to the applicant companies, aimed at ensuring authenticity of owners); and statutory (monitoring, enforcement, and compliance with the laws of Fiji).²⁹ Among the mandatory criteria is the requirement that at least 50% of the seagoing officers and 50% of the crew must be locals, with this percentage increasing by 12.5% per year for four consecutive years. The local crew requirement may be waived if the Department of Fisheries deems it to be a hindrance to production.

4.31. Foreign investors interested in practicing tuna longline fishing in Fiji must apply to Investment Fiji to obtain an approval for their projects pursuant to the Investment Act 2021, before they apply for a fishing licence. As shown in Table 2.3, the minimum investment threshold of

²⁴ The OFMA and the OFMR repealed parts of the Fisheries Act 1942, the Marine Spaces Act 1987, and the Marine Spaces (Foreign Vessels) Regulations 1985.

²⁵ An applicant shall apply for this authorization in the form set out in Schedule 6P and with the relevant fees in Schedule 7 under the 2014 Regulation.

²⁶ 2014 Regulation, Article 25.

²⁷ OFMA 2012, Article 35.1.

²⁸ OFMA 2012, Article 35.1A.

²⁹ Requirements of each category can be found on the Department of Fisheries website. Viewed at: http://www.fisheries.gov.fj/images/Legislation/License_requirements.pdf.

FJD 1,500,000 applies to the fishing activities (excluding fish processing). The Act abolished the 70% equity cap on foreign shares in fisheries-related businesses.

4.32. Exports of fish and other marine products require an export permit from the Ministry of Fisheries, and exports of certain species are prohibited on conservational and environmental grounds (Section 3.2.3).

4.33. As for tuna exports to the European Union, exporters must comply with EU fish export standards (Section 3.2.3).

4.34. In 2022, the average tariff rate for fish and fishery products (WTO definition) was 14.2%. Import tariffs on canned, prepared, or preserved fish decreased from 32% (2015) to 5% (2022), except for tuna, mackerel, and shark fins (remained at 32%). Import duty for crustaceans, molluscs, and other aquatic invertebrates, prepared or preserved, decreased from 15% (2015) to 5% (2022). The import duty on fresh fish remains at 15%. Import duty rates for shrimps and prawns are also high at 32%.

4.35. Regarding support schemes to the fisheries industry, the Government provides several tax incentives that apply to newly incorporated entities engaged in a new business in certain areas between 1 January 2018 and 31 December 2028.³⁰ Such schemes include income tax exemptions whose application periods depend on the amount of invested capital and a 90% export income reduction (applicable until 31 December 2024). Under the tax-free regime, duty concessions on the importation of goods required for the establishment of the business and a five-year extension of income tax exemption are available subject to certain conditions.

4.36. To combat IUU fishing, Fiji carries out port monitoring activities, including the boarding and inspection of both national and foreign vessels that come to land their catch. In 2018, Fiji ratified the Agreement on Port State Measures (PSMA), which allows Fiji to identify vessels of interest and illegal vessels that may visit its ports, and to strengthen the region's ability to exclude illegal vessels from visiting vulnerable nations that have small administrations. Fiji is also drafting a National Monitoring Compliance Strategy.

4.37. Fiji is also a party to several international treaties relating to the management of fisheries. Under the Treaty on Fisheries between the Governments of Certain Pacific Island States and the Government of the United States, Fiji is committed to allowing access to US purse seiners licensed pursuant to this treaty to fish within Fiji's EEZ against the payment of fishing fees and in return for technical assistance.³¹ The authorities state that the United States pledged assistance of USD 60 million to the Pacific region over the next 10 years, as confirmed at the announcement of Fiji and the United States Tuna Treaty Agreement package during the 51st Pacific Islands Forum Leaders Meeting held in July 2022. Other conventions and agreements to which Fiji is a party include the United Nations Convention on the Law of the Sea (UNCLOS); the United Nations Fish Stock Agreement (UNFSA); the Convention on the Conservation and Management of Highly Migratory Fish Stocks in the Western and Central Pacific Ocean (WCPFC); the Convention for the Prohibition of Fishing with Long Driftnets in the South Pacific; the Niue Treaty on Cooperation in Fisheries Surveillance and Law Enforcement in the South Pacific Region; the Pacific Islands Forum Fishing Agency (FFA); and the Secretariat to the Pacific Community (SPC).³²

4.2 Mining and energy

4.38. The mining, quarrying, and energy sectors accounted for 3.7% of GDP in 2021, compared with 3.4% in 2016.

³⁰ Qualifying areas include "Vanua Levu includ[ing] Taveuni, Rabi, Kioa and other islands generally included for Government administrative purpose in the Northern Division, Rotuma, Kadavu, Levuka, Lomaiviti, Lau and Nausori-Lautoka region (from Nausori Airport side of the Rewa River (excluding township boundary) to the Ba side of the Matawalu River". Investment Fiji, *Investment Incentives: Fisheries*, Viewed at: <https://www.investmentfiji.org.fj/investment-incentives/fisheries>.

³¹ FAO, *FOLEX Database*. Viewed at: <https://www.fao.org/faolex/results/details/en/c/LEX-FAOC002751/>.

³² WTO document WT/TPR/S/330/Rev.1, 26 April 2016.

4.2.1 Energy

4.2.1.1 Policy and regulatory framework

4.39. Fiji's energy sector has been shaped by the demands of its growing economy, natural environment, and tropical climate. While more than half of electricity generated in Fiji is enabled by renewable energy resources, it also depends on fossil fuel-powered energy to supplement.

4.40. Fiji's main energy policies during the review period are set out in its five-year National Plan (2017-2021).³³ Such policies include, *inter alia*, to (i) secure domestic access to affordable, reliable, modern, and sustainable energy services; (ii) increase share of electricity generation from renewable energy resources; (iii) increase private-sector participation in electricity supply through regulatory reforms; (iv) improve energy efficiency in the electricity sector; (v) reduce cost of petroleum imports and further develop bio-fuels; and (vi) pursue long-term sustainability of renewable energy resources based on the principle of the Green Growth Framework.

4.41. The Green Growth Framework aims to provide an opportunity in which all stakeholders can identify the role to play in the pursuit of attaining sustainable development, and "is a tool to accelerate integrated and inclusive sustainable development".³⁴ Energy security is part of Thematic Area 7 under the Economic Pillar of the Framework.

4.42. At the time of writing, according to the authorities, Fiji was drafting a National Energy Policy (NEP 2023-2030) to reflect its recent national regulatory changes and international commitments, such as its gradually privatized domestic energy sector as well as its commitment under the Paris Agreement. The draft Policy has been submitted to the Cabinet for endorsement. The authorities state that the draft NEP 2023-2030 encompasses Fiji's national commitments to achieve the relevant targets under Sustainable Development Goal 7 and has been developed in alignment with Fiji's revised Nationally Determined Contribution (2022) to the Paris Agreement.

4.43. A recent census shows that the ratio of domestic access to some form of electricity increased from 89% (2007) to 96% (2017).³⁵ Although the National Development Plan aimed to achieve 100% access to electricity by 2021, the goal has been shifted to 2026 due to the COVID-19 pandemic.³⁶

4.44. During the review period, the share of electricity generated from renewable energy resources (hydropower, wind, and solar) increased from 54.0% (2016) to 62.6% (2021) of the total (Table 4.4).³⁷ This is mainly due to the reduction of fuel imports used for thermal electric generation since 2016. The ratio is also shaped by the amount of annual rainfall that in turn affects the operation of hydropower electricity generation. According to the National Development Plan, the Government intends to increase the share of renewable energy sources up to 81% by 2020, and 100% by 2036.

³³ Ministry of Economy, *5-Year & 20-Year National Development Plan: Transforming Fiji*. Viewed at: <https://www.fiji.gov.fj/getattachment/15b0ba03-825e-47f7-bf69-094ad33004dd/5-Year-20-Year-NATIONAL-DEVELOPMENT-PLAN.aspx>.

³⁴ Ministry of Strategic Planning, National Development and Statistics (2014), *A Green Growth Framework for Fiji*. Viewed at: https://policy.asiapacificenergy.org/sites/default/files/Green%20Growth%20Framework%20for%20Fiji_16%20Sept%202014_LowRes%20%284%29.pdf.

³⁵ Information provided by the authorities.

³⁶ Information provided by the authorities.

³⁷ Biomass to energy is produced by Fiji Sugar Corporation, Tropik Wood Industries Ltd, and Nabou Green Energy Ltd.

Table 4.4 Electricity generation by generator and source, 2016-21

	2016	2017	2018	2019	2020	2021
Total generation (MWh)	934,208	1,007,713	1,032,947	1,061,249	976,372	937,018
Contribution by generator (%)						
Energy Fiji Ltd	98.9	97.7	96.1	95.4	93.1	93.5
Independent Power Producers	1.1	2.3	3.9	4.6	6.9	6.5
Contribution by source (%)						
Hydro	53.65	49.91	57.07	55.25	61.39	62.54
Thermal	45.96	49.88	42.67	44.41	38.49	37.42
Wind and solar	0.39	0.21	0.26	0.34	0.12	0.03

Source: Energy Fiji Ltd, *2021 Annual Report*. Viewed at: https://efl.com.fj/wp-content/uploads/2022/08/EFL-2021-Annual-Report-website_cmpress.pdf.

4.45. As for the regulatory bodies, the Department of Energy at the Ministry of Public Works, Transport, and Meteorological Services is responsible for policy formulation and strategic planning, and for off-grid rural electrification. The Fijian Competition and Consumer Commission (FCCC) continues to determine regulatory fees as well as fuel and electricity prices (Section 3.3.4).

4.46. The Fiji Electricity Authority (FEA) was an operator and regulator in the electricity market under the Electricity Act 1966. In March 2017, the Government introduced the Electricity Act 2017 with a view to restructuring the FEA. The 2017 Act subsequently came into force on 30 September 2019 and repealed the 1966 Act.

4.47. Specifically, the Act removes from the FEA the direct responsibility to regulate the electricity industry and devolves all of the FEA's regulatory functions and responsibilities to an independent regulator.³⁸ Upon entry into force of the Act, the FCCC was appointed as the regulator,³⁹ and has been empowered to make regulations and grant licences, in addition to its existing role in regulating energy tariffs. Nonetheless, as described below, the transfer of all regulatory powers to the FCCC has not been completed in practice. The Act further stipulates that a succeeding entity of the FEA is given exclusivity in transmission, supply, and retail of electricity in Fiji.⁴⁰ Energy Fiji Ltd (EFL) succeeded the FEA on 16 April 2018 and has retained such exclusive positions ever since. On 25 March 2021, the Government entered into a Share Sale Agreement with Sevens Pacific Pte Ltd, which is a consortium owned by Chugoku Electric Power Company (CEPCO) and the Japan Bank for International Cooperation (JBIC), to acquire 44% shareholding in EFL (acquiring 24% from the Government and 20% from the Fiji National Provident Fund).

4.48. On 24 September 2022, the Climate Change Act 2021 entered into force. The Act provides a legal basis for the Government to pursue its sustainable development objectives, long-term climate ambition, net-zero emission target by 2050, and commitment to protecting its environment. The Act empowers the Minister responsible for climate change to "introduce and implement a carbon pricing mechanism, including an emissions trading scheme".⁴¹ With a view to encouraging investment in, *inter alia*, renewable energy and energy efficient infrastructure, the Minister may also adopt fiscal incentives and levies.⁴²

4.2.1.2 Electricity

4.49. During the review period (2016-22), electricity generation accounted on average for 2% of GDP, and Fiji's total power generation averaged 999,585 MWh (Table 4.4).

4.50. Under the Electricity Act 2017, the Minister, after consultation with or with the consent of the FCCC, may grant a licence authorizing any person to generate, transmit, and supply electricity, as well as to provide any service deemed to be a subject to a licence.⁴³ EFL remains an exclusive

³⁸ Electricity Act 2017, Section 4(h).

³⁹ Electricity Act 2017, Commencement Notice, 2019.

⁴⁰ Electricity Act 2017, Section 4(a)(b).

⁴¹ Climate Change Act 2021, Section 43.2.

⁴² Climate Change Act 2021, Section 43.2; and Ministry of Economy, *Fiji National Climate Change Policy 2018-2030*. Viewed at: <https://www.economy.gov.fj/images/CCIC/uploads/General/FIJI-National-Climate-Change-Policy-2018-2030-FINAL.pdf>.

⁴³ Electricity Act 2017, Section 9. The Minister may exempt the prohibition of unlicensed supply under certain circumstances under Section 8.

transmission, distribution, and retail operator of electricity on the four main islands of Fiji (Viti Levu, Vanua Levu, Taveuni, and Ovalau). In March 2017, a new Electricity Act 2017 was passed by Parliament; it was gazetted on 1 October 2019 and came into effect.

4.51. During the review period, EFL underwent a partial privatization through divestment by the Government. In March 2021, the Government entered into an agreement under which a consortium of two Japanese companies acquired 44% of shareholdings in EFL.⁴⁴ As a result, the Government retains its position as the majority shareholder (51%), and the remaining share (5%) is owned by around 40,000 domestic shareholders.⁴⁵ The Government views that deep operational expertise and experience in electricity generation and networks brought by the consortium will enable Fiji to accommodate its growing energy demand and meet its renewable energy targets.⁴⁶

4.52. Despite the transfer of regulatory power to the FCCC under the Electricity Act 2017, the EFL signed a Memorandum of Understanding with the FCCC to continue to carry out certain regulatory functions until further notice.⁴⁷ As an agent of the FCCC, the EFL discharges functions to enforce the compliance of the Electricity Act 2017 and its subsidiary regulations.⁴⁸ The FCCC is responsible for controlling the prices and services pertaining to retail supply of electricity. This is done under the FCCC (Control of Prices for Retail Supply of Electricity and Ancillary Services) Order 2022, while the EFL provides authorization for the licensing of generation, transmission, and supply of electricity.

4.53. As for the generation sector, at the time of writing, there are three Independent Power Producers (IPPs) – Tropik Wood Industries Ltd, FSC, and Nabou Green Energy Ltd. Two are state-owned entities: (i) Tropik Wood is a 100%-owned subsidiary of Fiji Pine Ltd, 99.8% of whose shares are owned by the Government; and (ii) FSC, 68% of whose shares are owned by the Government. These IPPs produce energy based on biomass materials; they convert industrial residues such as wood chips and sugar by-product into electricity.

4.54. While the EFL generates most of the electricity in Fiji, IPPs continued to supply electricity to the national grid, increasing their share of to the generation total from 1.1% (2016) to 6.5% (2021) (Table 4.1). All IPPs supply electricity to the EFL. The power purchase agreements between the EFL and IPPs are confidential; the contents are not made available to the Department of Energy. However, the prices for the supply of electricity from IPPs to the electricity supplier is deregulated. This was done in view to encourage IPPs and EFL to invest in renewable energy sources by having a commercial negotiation to ensure the security and reliability of power supply and to encourage fair and efficient markets.

4.55. The FCCC continues to exercise its regulatory power to determine the retail electricity tariff. The latest ministerial order empowers the FCCC to do so until 25 May 2025.⁴⁹ In October 2019, the FCCC authorized the new maximum electricity tariff rates.⁵⁰ The new retail rates are applied to end-users according to their category as customers.⁵¹ The review of the electricity tariff rates will be conducted every four years, with the next review scheduled in October 2023. The review also takes place on an annual basis to reflect uncontrollable costs, and on an *ad hoc* basis to adjust tariffs in response to extraordinary events. The Government's electricity subsidy applies to domestic customers who have a combined household income of FJD 30,000 or less per annum. The subsidy covers the household's first 100 kWh of its monthly electricity bill. The EFL explains that the new

⁴⁴ Chugoku Electric Power Company Ltd and the JBIC.

⁴⁵ Government of Fiji, *Fiji Focus (Issue 8, Vol. 11)*. Viewed at: <https://www.fiji.gov.fj/getattachment/67d4da1c-347e-4283-a666-7254facfc4ec/Fiji-Focus-Issue-8-Volume-12-June-11,-2021.aspx>.

⁴⁶ Government of Fiji (2021), "Fiji Welcomes Largest-ever Private Sector Investment from Japan", 26 March. Viewed at: <https://www.fiji.gov.fj/Media-Centre/News/FIJI-WELCOMES-LARGEST-EVER-PRIVATE-SECTOR-INVESTME>.

⁴⁷ EFL, *About Us*. Viewed at: <https://efl.com.fj/about-us/company-information/>.

⁴⁸ Such activities include, *inter alia*, (i) licensing and renewal of electrical wiretapper and electrical contractors; (ii) electrical incident and accident investigations; (iii) testing of electricity meters to be used on the grid; and (iv) inspection and connection of new installation to the EFL grid, as well as inspection of off-grid installation. EFL, *2021 Annual Report*. Viewed at: https://efl.com.fj/wp-content/uploads/2022/08/EFL-2021-Annual-Report-website_cmpress.pdf.

⁴⁹ Fijian Competition and Consumer Commission (Control of Prices for Retail Supply of Electricity and Ancillary Services) Order 2022.

⁵⁰ FCCC, *Final Authorization on Electricity Tariff Rates*. Viewed at: https://fccc.gov.fj/wp-content/uploads/2019/09/Final-Authorisation-on-Electricity-Rates_17-Sept-2019.pdf.

⁵¹ Those categories are domestic customers, commercial customers, and industrial customers.

tariffs allow it to generate a fair return on its investment in the power sector by adopting a methodology based on the Regulated Asset Base (RAB) model.⁵²

4.56. Regarding policies aimed at increasing energy efficiency, the authorities state that Fiji has implemented the Minimum Energy Performance and Standards Labelling (MEPSL) as of 2012. MEPSL is regulated under the Trade Standards (Household Electric Refrigerating Appliances) Order 2007. Currently only household refrigerators and freezers need to comply. Fiji is line to expand the MEPSL programme to television sets. This has already been endorsed by the Cabinet, and the legislation is expected to be gazetted this year.

4.57. Fiji provides tax incentives for investment in the renewable energy sector. Such incentives include duty-free importation of renewable energy equipment (e.g. solar, hydro, biomass, biogas, wind, geothermal, solar heaters, and solar water pumps), as well as a five-year tax exemption for businesses undertaking a new activity in renewable energy and co-generation power projects.⁵³

4.58. There is no entry restriction on foreign investors in the energy sector. As with other sectors, the minimum investment threshold of FJD 300,000 applies. However, the Investment (National Security/Interest) Regulation 2022 requires that investors intending to invest in the energy sector submit a proposal to the Minister for an approval to invest. In assessing the proposal, the Minister considers its potential impact on national security (Section 2.4).

4.2.1.3 Hydrocarbons

4.59. Hydrocarbons, *inter alia*, petroleum, remain an important primary energy source in Fiji. The Government considers that the reduction of its high reliance on the import of fossil fuels is a key to dealing with volatility of fuel prices and safeguarding its foreign reserves.

4.60. In 2021, petroleum oils (HS 2710) accounted for 14.9% (USD 316.2 million) of Fiji's total import value. Singapore continues to be a main supplier of petroleum oils, representing 97.4% of Fiji's total import. At the same time, Fiji re-exported almost 30% of its imported petroleum to other Pacific Island countries including Tonga in 2021. On a much smaller scale, Fiji also imports petroleum gases including liquified natural gas (LNG) (HS 2711). Its import value was USD 26.2 million in 2021, and Australia was Fiji's dominant supplier.

4.61. As Fiji continues its effort to reduce the import of fuels, the share of petroleum oils in Fiji's total imports showed a consistently downward trend between 2017 and 2021 (Table A1.4). According to the authorities, there have not been changes in the market players. The key distributors are Total Energies, Pacific Energy Fiji, Mobil Oil Fiji, Fiji Gas, and Blue Gas.

4.62. The FCCC continues to control both wholesale and retail prices of petroleum.⁵⁴ The maximum prices are designated by geographical area (island and distance with public roads) as well as mode of transaction (retail or wholesale, bulk sale, or drum sale). The FCCC also controls wholesale and retail prices of LNG by purpose of its usage and geographical area.⁵⁵

4.63. Fiji encourages new investment activity in processing agricultural commodities into bio-fuels as an alternative to fossil fuels. Businesses that undertake such projects and employ 20 or more local workers every income year may benefit from a tax holiday.⁵⁶ The length of the tax holiday is between 5 and 13 consecutive years, depending on the amount of invested capital. Other incentives include duty-free importation of plant, machinery, and equipment for the initial establishment of a factory; duty-free importation of chemical products required for biofuel production; and duty-free importation of all agricultural items with the permission by the Ministry of Agriculture.

⁵² EFL, *2021 Annual Report*. Viewed at: https://efl.com.fj/wp-content/uploads/2022/08/EFL-2021-Annual-Report-website_cmpress.pdf.

⁵³ Investment Fiji, *Energy*. Viewed at: <https://www.investmentfiji.org.fj/sector-opportunities/energy>.

⁵⁴ FCCC, *Petroleum*. Viewed at: <https://fccc.gov.fj/petroleum/>.

⁵⁵ FCCC, *Gas*. Viewed at: <https://fccc.gov.fj/gas/>.

⁵⁶ Investment Fiji, *Energy*. Viewed at: <https://www.investmentfiji.org.fj/sector-opportunities/energy>.

4.64. An *ad valorem* import duty (5%) applies to crude oil, kerosene, and aviation turbine fuel. Specific duties apply to imports of gasoline (FJD 0.46/litre), automotive diesel oil (FJD 0.20/litre), industrial diesel oil (FJD 0.20/litre), and residual fuel oil (FJD 0.12/litre).

4.3 Manufacturing

4.3.1 Overview and policy objectives

4.65. The manufacturing sector remains the second-biggest contributor to Fiji's GDP after the services sector. During the review period (2016-21), its share of GDP fluctuated around 14.3%.⁵⁷ The manufacturing sector accounted for 25.7% of Fiji's merchandise export in value in 2021. It also accounted for 13.9% of the total employment in Fiji, up from 3.5% in 2016.⁵⁸ The latest economic survey shows that the sector hired 25,031 local workers in 2019.⁵⁹ The key manufacturing subsectors include beverages (mostly mineral water), textiles and clothing, wood processing, and food processing (mainly meat, sugar, and biscuits).

4.66. In its National Development Plan, Fiji states that it aims to develop its manufacturing sector with promotion of more value addition and diversification, thereby becoming a manufacturing hub in the Pacific Islands region. Fiji plans to take various measures such as (i) encouragement of investment into competitive high-value-added industries; (ii) promotion of foreign investment in new industries; (iii) facilitation of technology transfer through public-private partnerships and joint ventures between foreign and local investors; and (iv) introduction of technical programmes in tertiary and vocational institutions.

4.67. Fiji continues to promote import substitution through multiple measures. Fiji has conducted a national branding campaign ("Fijian Made – Buy Fijian") since 2011, with a view to promoting import substitution of items that can be easily produced in Fiji.⁶⁰ Through this campaign, the Government also aims to establish a sense of loyalty among citizens towards locally manufactured products and enhance exports by positioning those products in international markets. In November 2018, Fiji added a new brand category named "Fijian Organic" to eight existing categories.⁶¹ The new brand may be licensed to products that are (i) grown or processed in Fiji; and (ii) certified with the Pacific Organic Guarantee Scheme standards or any international standard. The exemption of the annual licence and application fee applies to any MSMEs earning FJD 1,250,000 or less annually. As at October 2022, 164 registered companies and their 1,237 products have been licensed under this scheme.⁶²

4.68. The Government continues to provide financial support to manufacturing operators to encourage import substitution. The Reserve Bank of Fiji (RBF)'s Import Substitution and Export Finance Facility (ISEFF) was established in 2010 to offer affordable financing (maximum interest of 5%) to import substitution, exporters, and renewable energy industries, including the manufacturing sector. In light of the COVID-19 pandemic, the RBF further reduced the maximum interest rate on the ISEFF facility chargeable by lending institutions to eligible businesses from 5.00% to 3.99% on 1 June 2021.⁶³ The total allocation currently stands at FJD 500 million as at March 2023.

4.69. There is generally no entry restriction on foreign investors in manufacturing sectors. As with other sectors, the minimum investment threshold of FJD 300,000 applies (Section 2.4). However, Fiji designates the manufacturing of tobacco as a restricted activity under the Investment (Reserved and Restricted Activities) Regulation 2022. This requires foreign investors to use at least 75% locally

⁵⁷ Data provided by the authorities. The average is 11.06% between 2016 and 2021.

⁵⁸ Data provided by the authorities. This figure shows the ratio of the number of jobs advertised for manufacturing sectors to the total number.

⁵⁹ Information provided by the authorities.

⁶⁰ MCTTT, *Fijian Made – Buy Fijian Brand*. Viewed at: <https://www.mcttt.gov.fj/division/economic/fijian-made/>.

⁶¹ Industry Emblem (Forms and Fees) Regulations 2011, Schedule 3. The other eight categories are "Fijian Made", "Fijian Product", "Fijian Packed", "Fijian Crafted", "Fijian Grown", "Fijian Assembled", "Fijian Designed", and "Fijian Sewn".

⁶² Government of Fiji, *Using the Fijian Made Emblem*. Viewed at: <https://www.fijianmade.gov.fj/>.

⁶³ RBF, *Import Substitution and Export Finance Facility Guidelines*. Viewed at: https://www.rbf.gov.fj/wp-content/uploads/2021/08/ISEFF-Guidelines_August-2021.pdf.

grown and processed tobacco in all domestic cigarette production and meet a higher capital threshold (FJD 1 million).

4.70. Fiji's average applied MFN tariff on manufacturing products (ISIC 3 definition) is 6.2% (7.8% taking into account AVEs based on 2020 prices), with tariffs ranging between zero and 32% (Section 3.1.4).

4.3.2 Beverages

4.71. Production of beverages, *inter alia*, bottled mineral water, continues to play an important role in Fiji's economy. In 2021, it accounted for 2.4% of its GDP.⁶⁴ During the review period, mineral water remained the largest item of Fiji's commodity exports, and its domestic export value grew by 46% from FJD 214.4 million in 2016 to FJD 312.9 million in 2021.⁶⁵ In 2021, the majority of Fiji's mineral water (HS 2201.10) was exported to the United States (USD 88.0 million), followed by Canada (USD 4.7 million), China (USD 1.9 million), and the United Kingdom (USD 1.8 million).⁶⁶ In the same year, Fiji was the fifth-largest exporter of mineral water in the world.

4.72. The Government considers that the expansion of water exports has given confidence to businesses to develop bottling plants, and that Fiji's rich groundwater resources would enable further market growth.⁶⁷

4.73. The Trade Standards (Bottled Water Standards) Order 2004 prescribes compulsory standards (including labelling and packaging requirements) applied to bottled water produced, used, or sold in Fiji or exported to other countries. Producers who wish to export bottled water must have a certificate issued by the Chief Inspector for Standards, which is to be renewed annually after necessary inspection is carried out.⁶⁸ During the review period, there was no major regulatory change to these standards.⁶⁹

4.74. In Fiji, any business extracting water in its natural state must pay a water resource tax.⁷⁰ In August 2017, the Government amended the Water Resource Tax Act to introduce new tax rates.⁷¹ According to the Act's subsidiary regulation, the applicable rates per litre are FJD 0.01 for those who extract less than 10 million litres per month, and FJD 0.18 for those who extract 10 million litres or more per month.⁷² The same amendment also strengthened penalties for offences under the Act.

4.3.3 Textile and clothing industry

4.75. The textile and clothing industry remains one of the major manufacturing sectors in Fiji. From 2016 to 2021, it contributed on average 0.9% to GDP. It currently offers 8,916 workers employment opportunities at multiple locations around the country, especially for women who often otherwise would not secure paid employment.⁷³

4.76. Owing to its export-oriented development history, the industry remains crucial. During the review period, the share of textiles and clothing in Fiji's domestic export averaged 8.2% (Tables A1.1 and A1.2). However, its total value of domestic export decreased by 26.5% from USD 51.8 million

⁶⁴ Data provided by the authorities.

⁶⁵ Fiji Bureau of Statistics, *International Merchandise Trade Statistics: Annual 2021*. Viewed at: <https://www.statsfiji.gov.fj/latest-releases/trade/international-merchandise-trade/1239-international-merchandise-trade-statistics-annual-2021.html>.

⁶⁶ UN Comtrade.

⁶⁷ Investment Fiji, *Mining & Groundwater*. Viewed at: <https://www.investmentfiji.org.fj/sector-opportunities/mining>.

⁶⁸ Trade Standards (Bottled Water Standards) Order 2004, para. 2.

⁶⁹ There was one amendment in 2018 regarding the sampling requirement (Trade Standard (Bottled Water Standard) (Amendment) Order 2018). However, this amendment is just a modification of expressions in a table and does not contain any substantive change.

⁷⁰ Water Resource Tax Act 2008, Section 5.

⁷¹ Water Resource Tax (Budget Amendment) Act 2017.

⁷² Schedule of Water Resource Tax Regulations 2017.

⁷³ TCF Council of Fiji, *Learn More about Our Home*. Viewed at: <https://makeitinfiji.com/about-fiji/#1494279744207-719ac8ab-b77a>.

(2016) to USD 38.1 million (2021). COVID-19 lockdowns and a decrease in textile/clothing materials due to supply chain disruptions may explain the decline in exports.

4.77. Regarding clothing that is the main export item, Australia remains the most important export destination, accounting for 61.2% (2021) in value.⁷⁴ This strong export continues to be supported by Australia's Developing Country Preferences that allow duty-free import of Fijian garments under certain conditions. Fiji's other exporting partners include New Zealand (18.4%) and Samoa (3.9%).

4.78. Import tariffs on textiles and clothing have decreased significantly since the last Review due to the increased number of duty-free items entering Fiji. The average applied MFN tariff on textiles is 2.6% and 8.5% on clothing (with tariffs ranging from zero to 32%).

4.3.4 Wood processing

4.79. Wood processing (mainly sawmilling and planing) contributed on average 0.7% to GDP between 2016 and 2021.⁷⁵ In 2019, there were at least 16 private limited companies in this sector, providing employment for 1,121 workers.⁷⁶ The sector has become more important for Fiji's commodity exports: its share of total domestic exports almost doubled from 5.4% (2016) to 10.6% (2021) (Tables A1.1 and A1.2).⁷⁷ Wood in chips and particles (HS 4401.22) is by far the most exported item. In 2021, Fiji's exporting partners of those products were China (USD 23.2 million) and Japan (USD 12.9 million).

4.80. Tropik Wood Industries Ltd owns and operates Fiji's largest sawmill and wood chip mill for exports.⁷⁸ It is a 100%-owned subsidiary of Fiji Pine Ltd, which is a government-controlled entity.⁷⁹

4.81. Fiji designates "logging" as a restricted activity under the Investment Act 2021. Foreign investors who wish to operate logging must undertake value-adding activities and satisfy the higher investment threshold (FJD 500,000) than the cross-sectoral threshold (FJD 300,000) (Section 2.4).

4.4 Services

4.4.1 Financial services

4.4.1.1 Overview

4.82. The financial sector accounted for 9.1% of GDP in 2021 up from 7.2% in 2016. Its structure features a significant predominance of banks over other types of financial institutions. The stock market is relatively small. Fiji's financial sector comprises both regulated and non-regulated (mainly the Fijian Development Bank and the Housing Authority) financial services providers. The RBF is the primary regulator for financial institutions, which include commercial banks, a development bank, credit institutions, the superannuation fund, insurance companies, brokers and agents, capital markets, foreign exchange dealers and money changers, payment service providers, payment system operators, non-bank financial institutions, and a credit information reporting agency (Table 4.5).

Table 4.5 Licensed financial entities including branches/agencies, 2016-June 2021

(Number)

	2016	2017	2018	June 2019	Dec. 2019	June 2020	Dec. 2020	June 2021
Commercial banks	6	6	6	6	6	6	6	6
Branches	70	69	68	67	65	65	62	62
Agencies and agent banking	95	119	126	128	126	130	133	134
ATMs	326	325	338	336	339	339	337	320
Electronic funds transfer at point of sale (EFTPOS)	6,081	5,872	6,137	5,735	5,841	5,817	6,005	6,380

⁷⁴ WTO Secretariat calculation based on UN Comtrade data. The figure is calculated based on Fiji's export products under Chapters 61-63 of the HS Code.

⁷⁵ Data provided by the authorities.

⁷⁶ Fiji Bureau of Statistics, *Economic Survey: Manufacturing 2019*.

⁷⁷ This figure is based on Fiji's export products under Section 9 (Chapter 44 and 45) of HS code.

⁷⁸ Tropik Wood Industries Ltd, *About Us*. Viewed at: <https://www.tropik.com.fj/about-us/>.

⁷⁹ The Government owns 99.8% of Fiji Pine Ltd.

	2016	2017	2018	June 2019	Dec. 2019	June 2020	Dec. 2020	June 2021
Credit institutions	4	4	4	4	4	4	4	4
Branches	17	17	18	19	20	20	19	19
Agencies	0	0	0	0	0	0	0	0
Life insurance companies	2	2	2	2	2	2	2	2
General insurance companies	7	7	7	7	7	7	7	7
Insurance brokers	4	4	5	5	5	5	5	5
Insurance agents ^a	526	537	464	514	528	574	581	542
Foreign exchange dealers	9	9	9	9	9	9	9	9
Money changers	2	1	1	1	1	1	0	0
Securities exchange	1	1	1	1	1	1	1	1
investment schemes (MIS)	2	2	2	2	2	2	2	2
Property trusts	0	0	0	0	0	0	0	0
Investment advisers	12	12	12	11	10	10	10	10
Stock brokers	3	3	3	3	3	3	3	3
Dealers	3	3	3	3	3	3	3	3
MIS representatives	16	14	15	12	17	17	15	21
Stock broker/dealer representatives	13	10	13	11	13	12	13	12
Investment adviser representatives	20	22	22	21	21	19	20	20
Credit reporting agency	..	..	1	1	1	1	1	1
Credit information provider and credit information recipient	..	..	..	4	6	5	2	0

.. Not available.

a An agent may hold more than one licence to sell various classes of insurance in a calendar year.

Source: RBF. Viewed at: <https://www.rbf.gov.fj/category/annual-report/>.

4.83. The assets of the Fijian financial system grew steadily during the review period, from FJD 17.4 billion in 2016 to FJD 24.2 billion in June 2021. Nearly all subsectors contributed to this growth, except for the capital markets that contracted in 2020, due to a decrease of the stock market capitalization and managed investment schemes (MIS) funds (Table 4.6). A contraction was noted between July 2020 and December 2021, on account of tightened credit conditions amid the economic uncertainty and contraction brought on by the COVID pandemic. Commercial banks remain the biggest component of Fiji's finance sector, representing, on average 51% of the sector's total assets during 2016–20, while the Government-owned Fiji National Provident Fund (FNPF) (superannuation) represents the second largest share, averaging some 34% of total assets. Insurance-related companies and credit institutions have the smallest share of the sector.

Table 4.6 Gross assets of the financial system, 2016-June 2021

(FJD million)

	2016	2017	2018	June 2019	Dec. 2019	June 2020	Dec. 2020	June 2021
Regulated financial entities								
Commercial banks	8,990	9,988	10,034	10,231	10,594	10,646	10,669	11,607
Credit institutions	443	558	694	724	785	825	802	820
Insurance companies	1,569	1,658	1,744	1,765	1,875	1,914	2,052	2,080
FNPF	5,496	6,139	7,037	7,450	7,902	8,142	8,127	8,303
Insurance brokers	49	52	61	61	60	80	64	64
Capital markets ^a	236	279	368	388	439	383	393	400
Non-regulated financial entities								
Non-bank financial institutions ^b	664	727	801	847	863	869	961	977

a Includes MIS, the South Pacific Stock Exchange (SPX), and stock brokers.

b Includes Fiji Development Bank (FDB) and Housing Authority of Fiji (HA).

Source: RBF. Viewed at: <https://www.rbf.gov.fj/category/annual-report/>.

4.84. Assets have grown hand in hand with the expansion of credit to private sector, mainly due to relatively low lending rates, although the authorities indicate that the expansion in commercial bank assets in 2020 and 2021 was driven by higher liquidity held by banks in line with higher foreign reserves inflows, which would have supported the low-rate environment.

4.85. Under the RBF Act (1983), the RBF (Amendment) Decree 2009, and industry-specific legislation⁸⁰, the RBF is responsible for the regulation and supervision of the Fijian financial system in line with its mission of promoting an internationally reputable financial system. This involves the issuance of licences, the development of prudential supervision policy requirements, the review of relevant laws, and the issuance of regulations and guidance. The RBF fulfils its supervisory responsibilities through offsite review and onsite examinations. The RBF is also the Registrar of Fiji's movable collateral registry, pursuant to the Fiji Personal Property Securities Act 2017.

4.86. Foreign companies are allowed to participate in financial activities under the same conditions as their Fijian counterparts. In the context of its macroprudential surveillance responsibilities, the RBF undertakes stress tests on licensed banks, credit institutions, and the FNPF, based on plausible scenarios. The latest stress test was conducted in December 2022.

4.4.1.2 Developments in the financial sector

4.87. The authorities' goal on financial services aims at strengthening the Fijian economy through the deepening of the financial sector to contribute to inclusive and sustainable economic growth in Fiji.⁸¹ Their actions in the sector are guided by the 2016-2025 Financial Sector Development Plan, which recommends, among other things, the development of an export/import bank to support expansion in trade. However, the authorities note that there have been no development on this front and no related work has been planned.

4.88. There are ongoing efforts to broaden and deepen financial inclusion, starting with the creation of the National Financial Inclusion Taskforce (NFIT) in 2010 to lead, coordinate, facilitate, and monitor financial inclusion initiatives in Fiji. The current actions of the NFIT are guided through the National Financial Inclusion Strategy (NFIS) 2022–2030, which builds on two previous NFIS; the first from 2010-14 and the second from 2016-20. The first two strategies were designed to address financial exclusion by expanding account ownership and account use, increasing the range and enhancing the quality of financial services and products, supporting innovation through the creation of an enabling regulatory environment, continuing financial literacy programmes, and promoting the development of the MSME sector.

4.89. The current NFIS supports Fiji's National Development Plan (2017-2036) and is aligned to the achievement of a number of UN Sustainable Development Goals, including ending poverty in all of its forms and achieving gender equality and empowering women. Its eventual goal is to help citizens build livelihoods and businesses that are sustainable and resilient to economic shocks. According to the RBF, financial inclusion in Fiji has recorded significant improvement in recent years. As of 2020, 81% of the adult population (50% women) had access to formal financial services, compared to 64% in 2014 (44% women).⁸² Fiji's 2020 Demand Side Survey revealed that 15% of Fiji's population had some form of insurance, up from 12% in 2014.

4.90. Digital transformation is also increasingly becoming a key aspect of financial business operations in Fiji, with the increase of online activities. As such, the RBF is cognizant of the necessity to develop a cyber risk mitigation framework. In February 2022, it adopted the Prudential Supervision Policy Statement on Minimum Requirements for Cybersecurity of Supervised Entities, with a full implementation at end-March 2023.

4.4.1.3 Recent developments in the banking industry

4.91. During the review period, the legislative framework of the banking industry did not change substantially. The RBF's bank licensing requirements do not differentiate between domestic and foreign banks. Foreign banks may operate in Fiji as branches or subsidiaries or by acquiring a domestic bank. There are no restrictions on foreign ownership of equity shares. The banking system is dominated by foreign-owned banks. The six licensed financial institutions are authorized under the Banking Act to take deposits from the public. In the banking industry, there are branches of two

⁸⁰ Banking Act (1995), Insurance Act (1998), Insurance (Amendment) Act (2003), Exchange Control Act (Rev. 1985), Companies (Securities Exchanges and Licensing) Regulations 2009, Reserve Bank of Fiji (Capital Markets and Securities Industry) Regulations 2015, FNPF Act (2011), Fair Reporting of Credit Act 2016, National Payment System Act 2021, and Companies Act (2015).

⁸¹ Fiji Financial Sector Development Plan.

⁸² Fiji National Financial Inclusion Strategy 2022-2030.

Australian banks, an Indian bank, and a Papua New Guinea bank; in addition, there is one subsidiary of a French bank.⁸³ One bank is locally owned.

4.92. There are three other credit institutions, holding a restricted licence, which forbids them from operating checking accounts, offering demand deposits, and doing foreign exchange business. They tend to offer specialized services, focusing on asset finance; however, they also offer personal loans. Only commercial banks and credit institutions are allowed to accept deposits from the public. There are no restrictions on the type of products offered by commercial banks incorporated in Fiji to residents in Fiji. Lending offshore is prohibited unless RBF's approval is obtained. The provision of cross-border banking services to residents in Fiji also requires approval from the RBF.

4.93. A number of credit unions and savings and loans cooperatives continue to be supervised by the Registrar of Credit Unions and the Department of Cooperatives, respectively. However, the authorities indicate that credit union legislation is being proposed, which seeks to include the regulatory and supervisory oversight of financial cooperatives under the formal supervisory ambit of the Central Bank. During the review period, an agreement was reached between the RBF and the Department of Cooperatives indicating that, once the new Credit Union law comes into force, all financial cooperatives with deposit balances above FJD 2 million would be supervised by the RBF.

4.94. As was the case during the previous review, all banks, including foreign branches, must have a minimum capital of FJD 2 million and a minimum risk weighted capital (Tier I and Tier II) adequacy ratio of 12%, while credit institutions are required to maintain a minimum capital adequacy ratio of 15%. Banks are also subject to minimum information disclosure requirements.

4.95. According to the RBF, banking is the dominant channel of funding, as it accounted for 71.3% of the financial system aggregate credit in June 2021, down from 79% in 2016, and it is largely concentrated in the wholesale, retail, hotels, real estate, and building and construction industries.⁸⁴

4.96. The quality of lending was generally stable until 2019, with the non-performing loan (NPL) ratio consistently below 5%. However, according to the IMF, despite the loan repayment holiday implemented during the COVID-19 crisis, NPLs have risen to a record high of 7.5% as of June 2021, as a consequence of the pandemic and the recent contraction of economic activities. The situation took banks to make significant provisions to withstand credit risk shocks, and the capital adequacy of the banking sector has strengthened to 20.8% (up from 15.3% in 2016), well above the prudential minimum of 12%.⁸⁵ The authorities indicate that the amount of provisions increased from FJD 55.6 million in 2016 to FJD 164.1 million in 2021, but their coverage of classified exposures decreased from 79.5% to 30.4%.

4.97. The 2021 Financial Stability Review conducted by the RBF also highlighted that NPLs have increased markedly in 2021 for commercial banks and licensed credit institutions, as more borrowers have been unable to service their debt obligations. As a consequence, banks have increased their provision; this, however, has had a negative impact on the industry's earnings (Table 4.7).⁸⁶

Table 4.7 Summary of commercial banks' profitability, 2016-June 2021

(FJD million)

	2016	2017	2018	June 2019	Dec. 2019 ^a	June 2020 ^b	Dec. 2020	June 2021
Interest income	360.0	386.9	413.4	219.2	462.9	235.6	461.9	215.7
Interest expense	101.1	130.4	140.1	82.3	177.6	82.9	149.5	57.1
Net interest income	258.9	256.5	273.3	136.9	285.3	152.7	312.4	158.6
Add: non-interest income	204.9	231.3	239.1	119.7	249.2	97.2	188.4	77.2

⁸³ The IMF considers that the stability of the banking system is fostered by the dominance of large foreign banks that operate as branches and have access to their parent banks for capital and liquidity.

⁸⁴ RBF, *Financial Stability Report 2021*. Viewed at: <https://www.rbf.gov.fj/financial-stability-review-2021/>.

⁸⁵ IMF (2021), *Republic of Fiji: Staff Report for the Article IV Consultation*. Viewed at: <https://www.imf.org/en/Countries/FJI#>.

⁸⁶ RBF (2021), *Financial Stability Review*. Viewed at: <https://www.rbf.gov.fj/category/financial-stability-review/>.

	2016	2017	2018	June 2019	Dec. 2019 ^a	June 2020 ^b	Dec. 2020	June 2021
Income from overseas exchange transactions	80.5	84.0	92.9	46.8	96.5	35.1	62.2	25.4
Commission	14.0	14.5	17.2	8.8	17.6	7.6	16.0	7.0
Fee charges	83.1	85.2	90.2	42.0	86.2	32.3	62	27.8
Other income	27.3	47.6	38.8	22.0	48.9	22.2	48.1	17.0
Total operating income	463.8	487.8	512.4	256.6	534.5	249.9	500.8	235.8
Less: operating income	237.0	245.6	257.2	122.8	254.1	133.0	272.0	128.3
Less: bad debts and provisions	22.0	24.8	4.9	14.6	21.1	69.8	121.9	29.2
Profit before-tax and extraordinary items	204.8	217.4	250.3	119.2	259.3	47.1	106.9	78.3
Less: tax	44.2	46.4	47.0	27.0	52.6	11.4	17.9	17.0
Net profit after-tax	160.6	171.0	203.3	92.1	206.7	35.7	89.0	61.3
Add/less: extraordinary items	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Net profit after-tax and extraordinary items	160.6	171.0	203.3	92.1	206.7	35.7	89.0	61.4
Average assets	8,446.7	9,148.4	9,569.0	9,741.5	10,156.2	10,208.8	10,266.7	10,610.9
After-tax return on equity (%)	18.4	17.7	19.2	14.9	15.8	5.3	6.4	8.3
Efficiency (%)	51.1	50.3	50.2	47.9	47.5	53.2	54.3	54.4
Yield on earning assets (%)	4.8	4.8	4.9	2.5	5.2	2.6	5.1	2.3
Cost of funding liabilities (%)	1.3	1.6	1.7	1.0	2.0	1.0	1.7	0.6

a Calendar year profits for all commercial banks used.

b Six-month profits for all commercial banks used.

Source: RBF.

4.98. Fiji's first credit information reporting agency (CIRA) was licensed by the RBF in 2018, under the 2016 Fair Reporting of Credit Act and its implementation regulations, which entrust the RBF with the responsibility of licensing and supervising credit reporting agencies. The Act also empowers it to register credit information providers and credit report recipients in Fiji. Ten credit information providers and credit report recipients are currently in operation. The authorities see CIRA's entry into operation as a way to reduce information asymmetry between lenders and prospective borrowers. They indicate that CIRA is yet to be fully operational, as licensed banks and credit institutions are slowly moving towards uploading their credit information due to the consent issues. The Fair Reporting of Credit (Amendment) Act 2021 came into effect on 1 August 2021. The main objective of the amendment was to provide clarity on the imposition of fines and penalties under the Act.

4.99. Other policy statements adopted during the review period to further ensure the stability of Fiji's banking system include the Banking Supervision Policy Statement No. 4 – Minimum Requirements for the Management of Foreign Exchange Risk for Licensed Commercial Banks (Revised 2016) and the Prudential Supervision Policy Statement No. 1 – Minimum Requirements for Corporate Governance of Licensed Entities (Revised 2019).

4.100. In April 2023, there was an ongoing review of the Banking Supervision Policy Statement No. 3 on Guidelines for Loan Classification and Provisioning for Impaired Assets and the revised Banking Supervision Policy Statement No. 9 A and 9B on Liquidity Risk Management Requirements for Banks and Credit Institutions. According to the authorities, the key reason for these reviews is to ensure that the RBF's prudential supervision policies capture the Basel Committee Principles and best international practices to assist banks and credit institutions to mitigate major risks.

4.4.1.4 Recent developments in the insurance industry

4.101. In 2021, life insurance represented 48.7% of the industry's gross premiums, while non-life/general insurance represented 51.3%.

4.102. Foreign presence is significant in Fiji's insurance business. As at the time of the previous Review, of the seven general insurers, two are domestically owned, four are locally incorporated subsidiaries of foreign parent companies (two from Australia, one from New Zealand, and one from Papua New Guinea), and one is a branch from an Indian insurance company. Only two life insurers operate: one is a Fijian-incorporated subsidiary of a Papua New Guinea company, and the other is a branch of an Indian insurer. There are five insurance brokers, of which only two are fully domestically owned.

4.103. The insurance industry is regulated by the RBF through various laws and regulations, mainly the Insurance Act 1998, the Insurance Regulations 1998, and the RBF (Amendment) Decree 2009, with the aim of ensuring the financial soundness of the industry and individual entities and protecting policyholders.

4.104. By law, all industry participants, i.e. insurers, and insurance brokers and agents, have to be licensed by the RBF. Licences are valid for 12 months and subject to yearly renewals upon payment of FJD 15,000. Licensing requirements do not distinguish between local and foreign companies, and there is no limitation with respect to foreign ownership in the insurance companies. New applicants must provide economic justification for their entrance into the market and meet other prescribed criteria.

4.105. A licensed insurance company may only conduct the type of insurance business (life or general) for which it has obtained a licence. An insurer can, however, provide both types of business if it obtains a separate licence for each service through two separate companies. Insurance companies licensed to carry out any class of insurance business are not allowed to also engage in banking and other financial services. Insurers are free to set insurance premiums and do not need regulatory approval to do so. Under the Insurance Act 1998, the RBF may issue a licence to conduct insurance business to a company incorporated in Fiji or a company incorporated abroad that is registered under Fiji's Companies Act, provided that it satisfies all the prescribed criteria. An applicant must meet the solvency requirements. The Insurance Act 1998 prescribes the minimum solvency requirements for licensed insurers in Fiji. In addition, the RBF has implemented Insurance Supervision Policy Statement (ISPS) No. 3A (for life insurers) and ISPS No. 3B (for general insurers), which details requirements for the calculations of the solvency position of an insurer. Additionally, a revised ISPS No. 10 on Minimum Requirements for the Role of Insurance Actuaries for Licensed Insurers was issued in June 2022 and came into effect in September 2022.

4.106. According to the authorities, Third Party Insurance and Workmen Compensation (including School Accidents) is the only compulsory insurances in Fiji. This is administered by the Accident Compensation Commission Fiji under the Accident Compensation Act 2017.

4.107. The reinsurance system remained unchanged during the review period. Insurers are required to always have in place reinsurance arrangements for risks insured in conducting their business in Fiji. There are no reinsurance companies established in Fiji; all locally registered insurance companies must obtain reinsurance from overseas. No restrictions apply on contracting reinsurance policies abroad, provided the requirements of the RBF are met. Parent companies incorporated overseas normally make sure that the reinsurance policies of their subsidiaries in Fiji comply with the RBF's requirements.⁸⁷

4.108. Data released from the RBF in June 2021 indicated that the Fijian insurance industry recorded a positive performance, despite the negative impact of the COVID-19 pandemic, as the combined total assets of the industry grew from FJD 1.9 billion in 2020 to FJD 2.1 billion.⁸⁸ The industry also recorded strong solvency surpluses, consolidating its compliance with the mandated solvency requirements.

4.109. Several legislative revisions were taking place in the insurance industry during the review period. For example, the RBF 2020-2021 annual report indicates that a review of the Insurance Act 1998 was being undertaken to incorporate new changes and initiatives within the domestic insurance industry and its business environment, to accommodate the rising demand for insurance coverage.

⁸⁷ Insurance Act 1998, Section 39; and Insurance Supervision Policy Statement No. 6.

⁸⁸ RBF (2021), *Annual Report: August 2020-July 2021*. Viewed at: <https://www.rbf.gov.fj/category/annual-report/>.

4.4.1.5 Recent developments in the capital markets industry

4.110. Fiji has a small capital market, which includes an equity market, a unit trust market, and a bond market. The bond market, which is mostly composed of government debt instruments, is the largest component of Fiji's capital market (Table 4.8) followed by the equity market and the unit trust market. Fiji's South Pacific Stock Exchange (SPX) has 19 listed companies and the volume and value of shares traded on the SPX decreased in 2021. Due to price uncertainty in the wake of COVID-19 pandemic, the market capitalization of listed securities decreased from FJD 3.4 billion in 2020 to FJD 3.3 billion as at 30 June 2021. The industries of companies listed include insurance, manufacturing, wholesale, retail, forestry, telecommunications and media, automotive, investment, and banking.

Table 4.8 Composition of the capital markets, 2017-21

(FJD million)

	2017	2018	2019	June 2020	Dec. 2020	June 2021
Equities market ^a	1,797	3,070	4,119	3,405	3,469	3,273
Managed investment schemes ^b	271	353	422	368	376	387
Bonds market ^c	3,636	4,014	4,289	4,915	5,032	5,155

a Based on the market capitalization of the listed companies.

b Based on the funds under management.

c Based on outstanding bonds.

Source: RBF.

4.111. As of April 2023, work was ongoing to review the minimum requirements for capital raising through the issue of equity and debt securities, to ensure alignment with the Companies Act 2015 and to keep abreast with international best practices. In addition, drafting of a risk management policy for the capital markets intermediaries is under development. In January 2021, the Companies (Wholesale Corporate Bonds) Regulations 2021 became effective. It was part of the actions that were undertaken to enable the development of Fiji's wholesale corporate bonds market within the existing legislative and regulatory frameworks. The RBF also granted approval to SPX Trustee Ltd in August 2021 to undertake the function of a trustee for bond issuances that will be made under the Regulations.

4.4.2 Telecommunications

4.112. Fiji's legislative and institutional framework for telecommunications has remained broadly unchanged since the previous Review. The Telecommunications Act 2008 (last amended in 2020) and its subsidiary legislation⁸⁹ continue to provide a general regulatory framework for the sector. Under the Act, the Minister in charge of telecommunications has the functions to formulate and monitor telecommunications policies. The Act also establishes the Telecommunications Authority of Fiji (TAF) that acts as a regulatory and implementing body in the sector. The TAF is also in charge of, *inter alia*, making determinations under the 2008 Act; promoting investors' confidence in Fiji's telecommunications sector; granting, suspending, varying, or revoking licences; and protecting consumers' interests in the sector.

4.113. Every telecommunications service provider must hold a licence issued by the TAF, in accordance with rules set by the Telecommunications (Licensing) Regulations 2012. According to the authorities, the current licensing regime is technologically neutral. During the review period, there was no regulatory change to the regime. Operators are granted 15-year unified licences allowing them to provide any telecom service. In addition to telecommunications licences, the TAF also issues import permits, aeronautical service licences, maritime station licences, equipment type

⁸⁹ Telecommunications (Licensing) Regulations 2012, Telecommunications (Trust Fund) Regulations 2016, Telecommunications (Fibre Cable Management Trust Fund) Regulations 2019, Telecommunications (Interconnection Levy) Regulations 2016, and Telecommunications (Declaration of Universal Service Areas) Order 2013.

approvals, and amateur radio licences.⁹⁰ Residents of Fiji, firms incorporated under the Companies Act, and Fijian government agencies or statutory bodies may apply for all licences.⁹¹

4.114. In principle, Fiji's telecommunications market has no entry restriction on foreign investors. However, the ITU's ICT Regulatory Tracker indicates that Fiji maintains loose or full control on foreign participation for value added service providers, Internet service providers, and international service providers.⁹² In addition to general conditions attached to all the licence applications, the TAF may apply special conditions in respect of a particular licence.

4.115. Businesses must obtain an import permit from the TAF when they intend to import any telecommunications equipment or apparatus other than equipment exempted by regulations.⁹³ The authorities indicate that the standards against which the TAF assesses conformity of telecommunications equipment are usually aligned with those of Australia and New Zealand. The TAF may enter into mutual recognition agreements with authorities in its trading partners to provide for mutual recognition of type approvals conducted in the other country or in Fiji. However, no such agreement is currently in force in Fiji.

4.116. During the review period, Fiji's penetration rate of telecommunications services continued to grow steadily (Table 4.9). In particular, mobile-broadband services expanded significantly, with its mobile-broadband subscriptions per 100 population increasing from 55.9 (2016) to 150.6 (2021). This is largely attributed to more affordable mobile and Internet services enabled by the liberalization of the telecommunications sector.

Table 4.9 Telecommunications indicators, 2016-21

	2016	2017	2018	2019	2020	2021
Fixed-telephone subscriptions per 100 population	8.5	8.7	8.7	18.3	18.1	20.0
Mobile-cellular subscriptions per 100 population	119.8	117.8	117.8	138.5	135.0	137.5
Fixed (wired)-broadband subscriptions per 100	1.4	1.4	1.5	1.6	1.8	2.0
Mobile-broadband subscriptions per 100 population	55.9	133.7	147.5	147.5	149.2	150.6
Households with a computer (%)	41.7	44.6	44.6	n.a.	n.a.	n.a.
Households with Internet access at home (%)	33.6	35.9	35.9	n.a.	n.a.	n.a.
Population using the Internet (%)	46.5	50.0	50.0	n.a.	n.a.	n.a.

n.a. Not applicable.

Note: Data between 2019 and 2021 represent the figures between October and December of the respective year. The TAF started to provide quarterly data from 2018. The current figures in 2018 are cited from the ITU database.

Source: ITU ICT-Eye. Viewed at: <https://www.itu.int/net4/itu-d/icteye#/>; and TAF, *Telecom Indicators*. Viewed at: <https://taf.org.fj/telecom-indicators/>.

4.117. Fiji operates six international submarine cables, of which three were installed during the review period. The Tui-Samoa submarine cable, which connects Fiji and Samoa, went into service in February 2018.⁹⁴ The Southern Cross NEXT cable, installed by Bermuda-based Southern Cross Cable Network Ltd, came into operation in July 2022.⁹⁵ The 15,840-kilometer cable enabled Fiji to further improve its existing connectivity to Australia, New Zealand, and the United States, as well as its

⁹⁰ TAF, *Telecommunications Licensing Procedure*. Viewed at: <https://taf.org.fj/telecommunications-license/>.

⁹¹ Telecommunications (Licensing) Regulations 2012, Regulation 6.

⁹² ICT Regulatory Tracker. Viewed at: <https://app.gen5.digital/tracker/country-cards/Fiji>.

⁹³ Telecommunications Act 2008, Article 55.4.

⁹⁴ Government of Samoa (2020), "Samoa Submarine Cable Company Declares \$1,923,600 Dividend for Financial Year 2019", 28 May. Viewed at: <https://www.samoagovt.ws/2020/05/samoa-submarine-cable-company-declares-1923600-dividend-for-financial-year-2019/>. The cable was built by a then privately owned Samoa Submarine Cable Company.

⁹⁵ Southern Cross Cables Network (2022), "SX NEXT Launches", 7 July. Viewed at: <https://www.southerncrosscables.com/Home/Company/SXPress/sx-next-launches>.

neighbouring Pacific Island countries. The Gondwana-2 cable, which was tendered by France-based Alcatel Submarine Networks (a subsidiary of Nokia), links Fiji and New Caledonia (France).⁹⁶ The cable was completed and came into operation on 20 August 2022.

4.118. State participation remains important in Fiji's domestic telecommunications market, with a dominant position held by Amalgamated Telecom Holdings Ltd (ATH) in both fixed and mobile phone segments.⁹⁷ The FNPF holds 72.71% of ATH's shares. The remaining shares belong to the Government (15.25%) and individual shareholders.

4.119. Within the fixed-line market, Telecom Fiji Ltd (TFL), 100% owned by ATH, is the major fixed-telephone market operator. TFL is the sole owner of the fixed-line infrastructure. FINTEL, also a 100% subsidiary of ATH, is the leading provider of international telecommunications (voice and data transmission) into and out of Fiji.

4.120. With regard to the mobile-telephone segment, Vodafone Fiji (of which 51% is owned by ATH and 49% by the FNPF) remains the dominant player, accounting for 81% of the market share.⁹⁸ Digicel, which was acquired in July 2022 by Australia's Telstra, and TFL are the other mobile-telephone service providers. Inkk Mobile is Fiji's only mobile virtual network operator.

4.121. There are three Internet service providers: Connect (a fully owned subsidiary of TFL), Digicel, and Vodafone.

4.122. The FCCC is responsible for monitoring unfair trade practices, and controlling wholesale prices or rates of the supply of interconnection services, pursuant to the Fijian Competition and Consumer Commission Act 2010.⁹⁹ The latest Ministerial Order, which came into force on 22 November 2021, provides that the price control remains effective until 22 November 2024, unless it is varied, extended, or revoked.¹⁰⁰

4.123. By law, Fiji maintains a universal service scheme, whose ultimate objective is to provide all citizens, wherever they reside or carry on business, with reasonable access to telecommunications services on an equitable and affordable basis.¹⁰¹ The scheme is administered by the TAF and funded through the Universal Service Fund.

4.124. Telecommunications (Fibre Cable Management Trust Fund) Regulations 2019 came into effect on 23 August 2019. The regulations established a new fund dedicated to funding fibre cable systems, including its maintenance, operation, repair, future expansion, and research and development activities. Along these lines, in July 2022, Fiji amended the 2008 Telecommunications Act to empower the Minister in charge of telecommunications to prescribe a portion of the licence application fees, annual operating licence fees, and other administrative fees collected by the TAF. TAF.¹⁰² The collected fees aim to finance the Telecommunications Development Trust Fund. Subsequently, the Minister in charge of telecommunications increased the annual operating licence fee, which applies to cellular mobile operators and telecommunications service providers (excluding mobile), to 2% of the aggregate gross revenue.¹⁰³ This amendment and the resulting fee change came into effect on 2 August 2022.

4.125. In February 2021, the Parliament enacted the Cybercrime Act 2021. The new Act governs, *inter alia*, (i) offences against the confidentiality, integrity, and availability of computer data and

⁹⁶ Alcatel Submarine Networks (2020), "OPT-NC to Deploy Its Second Submarine Cable and Secure All International and Domestic Communications of New Caledonia", 16 June. Viewed at: <https://web.asn.com/press-release/opt-nc.html>.

⁹⁷ ATH, *2022 Annual Report*. Viewed at: <http://www.ath.com.fj/images/ath2022annualreport.pdf>.

⁹⁸ Asian Development Bank, *Pacific Telecommunications Modernization Project: Client Information*. Viewed at: <https://www.adb.org/sites/default/files/linked-documents/54204-001-sd.pdf>.

⁹⁹ A list of relevant ministerial orders can be seen at <https://fcc.gov.fj/telecommunication/>.

¹⁰⁰ Fijian Competition and Consumer Commission (Control of Prices for Interconnection Services Rates) Order 2021. The Order defines interconnection services as "any wholesale service provided or offered by any person in relation to interconnection and includes off-net services" (para. 2).

¹⁰¹ Telecommunications Act 2008, Article 48.1.

¹⁰² Telecommunications (Budget Amendment) Act 2022. This power used to be vested solely in TAF.

¹⁰³ Telecommunications (Amendment) Regulations 2022. (The fee before the amendment was stipulated as "FJD 1 million or 1.5% of the aggregate gross revenue whichever is greater".)

computer systems; (ii) computer-related and content-related offences; (iii) procedural matters such as criminal investigation; and (iv) international cooperation with foreign governments or agencies. At the time of writing, the Act entered into force in November 2022.

4.126. As for protection of personal data, Fiji's Constitution provides that every person has the right to personal privacy including the confidentiality of their personal information and their communications.¹⁰⁴

4.4.3 Transport

4.4.3.1 Land transport

4.127. Due to Fiji's topography, which leaves few route alternatives, land transport activities are restricted. There are two main roads: the Queens Road in the south and the Kings Road in the north. They connect the most important hubs in Fiji, Suva, and Nadi. Of the national road network, 3,440 km are paved, and 1,692 km are unpaved. The country's outer islands lack adequate road infrastructure. Poor road conditions and insufficient maintenance continue to challenge the country's competitiveness and integration with local and regional markets. An Infrastructure Rehabilitation and Development Fund is in place to fund road maintenance. The Fund is mainly financed through a road user levy collected on vehicle registrations.

4.128. Under the Ministry of Public Works, Transport, and Meteorological Services, the Department of Transport is responsible for the implementation of the main legal instruments in land and maritime transport industries. In particular, the Land Transport Act 1998 and its supporting regulations govern land transport services.

4.129. The Land Transport Authority of Fiji is responsible for vehicle and driver licensing and registration, while the Fiji Roads Authority (FRA) is responsible for road infrastructure. Nationals and foreigners can be licensed to undertake land transport services in Fiji under the same terms.

4.130. There is no operating commercial railroad in Fiji. Small-scale railways, predominantly around the Nadi/Lautoka area, are widely used for the transport of sugar cane during the cane harvest.

4.131. No industry-specific tax is collected in the land transport sector.

4.4.3.2 Maritime transport and ports

4.132. Maritime transport is vital to Fiji's international trade. In 2021, 79.1% of Fiji's trade occurred by means of maritime transport from 80.7% in 2016.¹⁰⁵ Furthermore, given the country's geographical dispersion, inter-island sea transportation is essential for livelihood. The private sector plays a lead role in providing domestic shipping services, including both passenger ferries and freight services.

4.133. The Government aims to transform Fiji into a regional and international marine transport hub, and it recognizes the need to improve cargo-volume handling for imports, exports, and transshipments.¹⁰⁶ To this end, the authorities are looking to increase both public and private investments to raise berthing capacity and water depth, improve port efficiency, reduce turnaround time, adopt IT technology, and make relevant services available with reasonable charges. In this context, the authorities indicate that they are seeking to have a port management aspect in their ongoing single window initiative.

¹⁰⁴ Constitution of the Republic of Fiji, Clause 24.1.

¹⁰⁵ Fiji Bureau of Statistics, *International Merchandise Trade Statistics: Annual 2021*. Viewed at: <https://www.statsfiji.gov.fj/latest-releases/trade/international-merchandise-trade/1239-international-merchandise-trade-statistics-annual-2021.html>.

¹⁰⁶ Ministry of Economy, *5-Year & 20-Year National Development Plan: Transforming Fiji*. Viewed at: <https://www.fiji.gov.fj/getattachment/15b0ba03-825e-47f7-bf69-094ad33004dd/5-Year-20-Year-NATIONAL-DEVELOPMENT-PLAN.aspx>.

4.134. The Maritime Transport Act 2013 and its subsidiary regulations¹⁰⁷ continue to form a general regulatory framework for Fiji's maritime activities. The Act prescribes *inter alia*, (i) duties and offences in relation to maritime activity; (ii) liabilities of ship owners and others; (iii) shipping (including licence for commercial shipping services); (iv) salvage; and (v) marine pollution prevention and management. In addition, the Ship Registration Act 2013¹⁰⁸ and its subsidiary regulations stipulate the requirements that must be fulfilled to register ships in Fiji.

4.135. The Maritime Safety Authority of Fiji (MSAF)¹⁰⁹ is a statutory agency of the Ministry of Public Works, Transport, and Meteorological Services, which administers the regulation of maritime safety, marine environment protection, and port security. Its specific functions include registration and certification of vessels, certification of maritime services providers, licensing and certification of seafarers, and vessel traffic management. It is also responsible for Fiji's accession to, and compliance with, international maritime conventions.

4.136. Ship registration requirements did not change substantially during the review period. In accordance with the Ship Registration Act 2013, a ship can be registered under Fiji's Register only if it is a Fiji-owned ship¹¹⁰ and not registered in a foreign country. An exception to this ownership requirement is made under certain circumstances specified by the Act.¹¹¹ Any second-hand ship, which has been imported for a commercial purpose and is 20 years old or more, cannot be registered unless approval is given by the Minister. A chartered vessel with crew may only be registered by the appointed agent who must be a Fiji resident or have a registered office in Fiji.

4.137. The proportion of crew to be Fiji nationals in registered ships stands at 70% for a Fijian ship engaged in an international voyage, 90% for a Fijian ship that acquires a coasting-trade licence (CTL), and 70% for a Fijian ship engaged in fishing in Fiji's waters (in territorial waters, in the EEZ, and on the high seas).

4.138. The Maritime Transport Act 2013 and the Maritime (Coasting-trade) Regulations 2014 oblige a coastal ship that wishes to engage in the coasting-trade within Fiji's waters to obtain licences or permits. In case a ship is a registered ship under the Ship Registration Act 2013, the MSAF may grant a CTL to the owner or charterer of the ship. In the case of a foreign registered ship (i.e. a ship that is not registered under the Act), as at the time of the previous Review, cabotage is in principle not allowed but can be permitted in a specified area, provided that no domestic equivalent services are available. In this case, the Minister responsible for transport may grant a coasting-trade permit (CTP) to the owner or master of the ship. In determining to issue a CTP, the Minister considers, *inter alia*, whether a particular shipping service has been provided by domestic ships with CTLs, and if so, their service has been inadequate, inefficient, or unreasonably costly. CTPs are valid only for a single voyage by a specific ship. Applications for both CTLs and CTPs shall be submitted to the MSAF.¹¹² Foreign ships must also obtain a permit to provide pushing and towing services.

4.139. During the review period, Fiji made several amendments to its licensing regime with a view to streamlining the necessary procedures. The reforms were implemented through the Maritime Transport (Budget Amendment) Act 2021, which came into force on 1 August 2021. Among the new measures, Fiji extended the validity time of CTLs from 12 months to 20 years.

4.140. Coastal and inter-island shipping services are operated by both private shipping companies and the Government. The Government Shipping Franchise Scheme, a subsidy programme, has continued to be in place to support communities in outer islands to have reasonable and affordable access to shipping services.¹¹³ Although the government-owned Fiji Shipping Corporation administered the scheme through tenders, the function was transferred to the Department of

¹⁰⁷ Maritime Safety Authority of Fiji, *Legislation*. Viewed at: <https://www.msaf.com.fj/legislation/>. All legal texts can be retrieved from this site.

¹⁰⁸ It was previously the Ship Registration Degree 2013.

¹⁰⁹ MSAF is a 100% state-owned entity. It is not listed as a public enterprise.

¹¹⁰ "Fiji-owned ship" includes, *inter alia*, a ship owned by a Fiji national or nationals or joint owners with a majority of Fiji nationals.

¹¹¹ This exception applies where a ship (i) is a pleasure craft; (ii) calls at ports or places in Fiji; or (iii) is normally engaged on a qualifying route and the operations of which are managed by the appointed ship's agent on behalf of its owner, from a place of business in Fiji. Ship Registration Act 2013, Section 4.3.

¹¹² Maritime (Coasting-trade) Regulations 2014, Regulations 4 & 25.

¹¹³ For details, see WTO document WT/TPR/S/330/Rev.1, 26 April 2016, para. 4.123.

Transport. As at October 2022, Fiji supports 10 routes that it sees as uneconomical.¹¹⁴ The number of passengers who utilize the shipping service under this scheme shows a downward trend. In 2017, 21,627 passengers used the scheme, but the number dropped by about 70% to 6,523 in 2021.

4.141. In general, foreign investment is allowed in maritime transport and port services, subject to the requirements of the 2022 Foreign Investment Regulations (Section 2.4).

4.142. Passenger fares and freight rates are regulated through orders. The most recent, the Fijian Competition and Consumer Commission (Control of Maritime Shipping Services, Freight Rates and Passenger Fares) Order 2019 allows the FCCC to control prices for the supply of all maritime shipping services, freight rates, and passenger fares in Fiji through the end of 2022.

4.143. Fiji owns six official seaports: Suva, Lautoka, Levuka, Malau, Rotuma, and Wairiki. Among those, Suva and Lautoka remain Fiji's busiest and biggest container and general ports, handling about 95% of the country's cargo imports and exports.¹¹⁵ Port activities significantly decreased in 2020 and 2021 due mainly to restrictive measures during the COVID-19 pandemic (Table 4.10). The Fiji Ports Corporation Ltd (FPCL) is a port management company that owns, operates, and has regulatory oversight for all declared ports in Fiji in accordance with the Sea Ports Management Act 2005 and the Sea Ports Management Regulations 2008. It owns the infrastructure, performs the harbourmaster function, and provides services such as pilotage, vessel traffic services and anchorage, and safety and security.

Table 4.10 Fiji's port call and performance, 2018-21

	2018	2019	2020	2021
Number of port calls (all ships)	1,974	2,342	1,973	1,335
Number of port calls (passenger ships)	924	1,205	879	337
Median time spend in ports (days)	0.97	1.07	1.08	1.12
Average size of vessels (gross tonnage)	12,193	10,285	8,624	9,630
Average cargo carrying capacity per vessel (dwt)	13,827	12,049	11,161	11,659
Average container carrying capacity (dwt) per container ship	1,296	1,395	1,362	1,368

Source: UNCTAD STAT (maritime transport). Viewed at: <https://unctadstat.unctad.org/EN/Index.html>.

4.144. The FPCL was a wholly government-owned entity until November 2015. However, 59% of its share was divested and sold to the FNPF (39%) and the Sri Lankan conglomerate Aitken Spence (20%). Fiji Ports Terminal Ltd (FPTL), a subsidiary of the FPCL, continues to provide cargo operation services, including providing stevedoring services and storage facilities to its local and international stakeholders at the two main ports in Fiji, Suva and Lautoka. Fiji Ships and Heavy Industries Ltd, a subsidiary of the FPCL, provides emergency slipping and ship repair and maintenance services, as well as heavy industrial and engineering works. The ship maintenance and repair industries are open to both local and foreign service suppliers.

4.145. Prices or rates for the supply of all ports management services in Fiji are controlled by the FCCC by means of orders. As a first step in the process, prices or rates are set by the FPCL in consultation with shipping companies. The proposed rates are reviewed by the FCCC and ultimately approved by the Cabinet. The latest ministerial order prescribes that the FCCC is empowered to authorize and monitor the prices for the supply of all port management services until 28 March 2024.¹¹⁶

4.4.3.3 Air transport and airports

4.146. Air transport services are crucial to Fiji's economic performance, mainly to its tourism industry, which relies heavily on air travellers. In addition, air transport is important to Fiji's international trade for certain high-value products that require a short time to market. The COVID-19 pandemic took a major toll on the flow of essential goods and passenger services.

¹¹⁴ MCTTT, *Government Shipping Franchise Scheme*. Viewed at: <https://www.mcttt.gov.fj/division/transport/government-shipping-franchise-scheme/>.

¹¹⁵ FPTL, *About Us*. Viewed at: <https://www.fijiportsterminal.com/about-us>.

¹¹⁶ FCCC (Control of Prices for Ports Management Services) Order 2021.

4.147. The Department of Civil Aviation is responsible for policy formulation and economic regulation of air transport, including licensing of international air services operators. The Department also handles relations with foreign aviation authorities, negotiates air services agreements, and oversees Fiji's compliance with the standards of the International Civil Aviation Organization (ICAO) and other international conventions relating to civil aviation to which Fiji is a party. Fiji is also a member of the Pacific Aviation Safety and Security Organization. The Government's 20-year Development Plan on Air Connectivity and the Fiji Draft Aviation Policy are the main sectoral strategies for the aviation sector. The authorities indicate that the strategies have supported the modernization of the Nadi International Airport. In addition, several other projects are planned under the strategies, including the plan to revamp Nausori International Airport, the renewal and expansion of Fiji Airways, and the expansion of Fiji Airways global network footprint to promote new tourist source markets.

4.148. Airports Fiji Ltd (AFL), a state-owned enterprise, is responsible for the management of airports. It owns and operates Fiji's two international airports at Nadi and Nausori (Suva) and administers the 13 airports in the outer islands. An airport departure charge of FJD 100 per passenger is collected by the FRCS. Airport security and development fees of FJD 18.54 per passenger is charged for departing and transiting passengers.

4.149. The Civil Aviation Authority of Fiji Act 1979 and other relevant legislation, the Civil Aviation Act 1976, the Civil Aviation (Security) Act 1994, and the Civil Aviation Reform Act 1999, together with a body of supporting regulations, regulate the registration and certification of aircraft and operators, licensing of aircrew, certification of airports and aerodromes, and control of air traffic, among other things. The Civil Aviation Authority of Fiji (CAAF), a statutory body directly accountable to the Minister of Civil Aviation, is responsible for the implementation of the Act. It oversees the development and implementation of technical regulations in the air transport sector in order to ensure compliance with national and international aviation safety standards.

4.150. As at the time of the previous Review, Fiji Airways is the country's flag carrier. It operates international and domestic services, together with its subsidiary Fiji Link, serving 35 destinations in 13 countries (including code-share). Other domestic airlines that service domestic air routes in Fiji include Fiji Link, Northern Air Services, Pacific Island Air Ltd, Island Hoppers Ltd, Sunflower Aviation, Air Laucala Ltd, Heli-Tours Ltd, Turtle Airways Ltd, Hibiscus Air Ltd, Air Kaibu, and Kokomo Resorts. Fiji Airways transports 64% of all visitors who fly to Fiji every year and employs over 1,500 staff. The Government owns 51% of the airline, Qantas 16%, and the remainder is held by Air New Zealand and the governments of several Pacific Island countries. No air carrier may operate under the laws of Fiji unless it is a citizen of Fiji, which, for this purpose, means: (i) the Government of Fiji or any institution of the State; (ii) an individual who is a citizen of Fiji; (iii) a partnership each of whose partners is an individual who is a citizen of Fiji; or (iv) a corporation or association of which at least 51% of the voting interest is owned and controlled by persons who are citizens of Fiji, at least two thirds of the board of directors are citizens of Fiji, and such corporation or association is under actual and effective control of citizens of Fiji.

4.151. Some 10 foreign airlines including Virgin Australia, Air New Zealand, Korean Airlines, Air Vanuatu, Solomon Airlines, Air Niugini, Air Nauru, Air Kiribati, Air Marshall Islands, and Air Caledonia International operate to and from Fiji. Their operations into and out of Fiji require an approval from the Minister in charge of Civil Aviation who issues licences on the basis of bilateral air services agreements (ASAs). The safety oversight of airline operators that are registered in Fiji falls under the responsibility of the CAAF, who issues Foreign Airline Operating Certificates to these operators. Landing Permits are also issued by the Minister responsible for Civil Aviation for non-scheduled and charter operations in and out of Fiji.

4.152. The Government considers that Fiji is not yet prepared to enter into open skies agreements, in order to preserve the viability of Fiji Airways' operation. Therefore, it does not favour granting fifth and sixth freedom rights.¹¹⁷ International air cargo services for all types of commodities are available on all aircraft operating out of Nadi International Airport. Minimum air cargo rates are prescribed after consultation with the International Air Transport Association (IATA). Reduced

¹¹⁷ Ministerial statement by the Attorney-General, also Minister for Civil Aviation, Aiyaz Sayed-Khaiyum, 12 February 2015. Viewed at: <http://fijisun.com.fj/2015/02/14/how-our-aviation-sector-is-taking-off-strongly/>.

commodity rates are negotiable with the transporters on the basis of bulk and frequency, and certain transporters offer special cheaper consolidated rates based on a grouping system.

4.153. Domestic airlines are licensed by the Air Transport Licensing Board (ATLB) of the Department of Civil Aviation, in accordance with the criteria stipulated in the Civil Aviation (Licensing of Air Services) Regulations. In considering a licence application, the ATLB conducts an economic needs test to determine whether the routes proposed are adequately serviced and whether there is any demand for additional air services. The route that the applicant intends to service must not be adequately serviced by an existing airline. The duration of the licence is determined by the Board. The ATLB also determines the airfares to be charged on the domestic routes, taking into account factors such as the cost of operating the service, the cost of aircraft spare parts, the cost of fuel and the financial status of the airline. According to the authorities, airfares are structured to allow the air operators to charge fares depending on the demand. A minimum to maximum window fare is granted to airlines. Pursuant to the Civil Aviation (Ownership and Control of National Airlines) Decree No. 26 of 2012, no air carrier may operate under the laws of Fiji unless it is a citizen of Fiji (see definition above).

4.154. To encourage air operators onto routes deemed uneconomical, the Government continues to implement its airlines subsidy scheme for air services to eight routes via a tender process open to all domestic airlines. The airlines bid the cost of operating such services, and the Government subsidizes any shortfalls in the total revenue generated on a trip.

4.155. As indicated during the previous Review, ground-handling services continue to function under a monopolistic approach. Air Terminal Services Fiji Ltd (ATSFL) is the only company providing ground-handling services to international carriers at Nadi Airport. Its services include aircraft maintenance, catering and cabin services, baggage handling, passenger check-in, ramp services, and freight sales and handling. The company is owned by the Government (51%) and the employees (49%). Fiji Airways provides ground-handling services at the Nausori Airport. Sunflower Aviation and Fiji Airways are also licensed as ground-handling agents.

4.4.4 Tourism

4.156. The tourism industry is the backbone of the Fijian economy. Its total contribution to GDP stands at some 38%.¹¹⁸ The sector is the largest provider of the country's foreign exchange earnings and a major source of job creation.

4.157. Australia (54% of visitor arrivals in 2022) and New Zealand (24%) account for over three quarters of the total arrivals, mainly due to geographical proximity. The United States, EU member States, the United Kingdom, and Canada are the other important markets.¹¹⁹ Visitor arrivals were on an increasing trend since 2016 but slumped in 2019 and 2021 due to the restrictive pandemic-related measures (Table 4.11).

4.158. Under the Ministry of Tourism and Civil Aviation, the Department of Tourism formulates and implements policies and strategies with a view to promoting a sustainable, inclusive, and resilient tourism industry. It also undertakes research, data collection, product development, and strategies to encourage investment in the tourism industry. The Department oversees the performance of Tourism Fiji, a government corporation that is tasked with promoting Fiji as a tourist destination, mainly through marketing campaigns.¹²⁰

¹¹⁸ IFC (2020), *Fiji COVID-19 Business Survey: Tourism Focus*. Viewed at: <https://www.ifc.org/wps/wcm/connect/4fc358f9-5b07-4580-a28c-8d24bfaf9c63/Fiji+COVID-19+Business+Survey+Results+-+Tourism+Focus+Final.pdf?MOD=AJPERES&CVID=ndnpJrE>.

¹¹⁹ Fiji Bureau of Statistics, *Tourism and Migration*. Viewed at: <https://www.statsfiji.gov.fj/latest-releases/tourism-and-migration.html>.

¹²⁰ The former Fiji Islands Visitors Bureau was renamed as Tourism Fiji in 2009 through the Fiji Islands Visitors Bureau (Amendment) Promulgation 2009.

Table 4.11 Tourism indicators, 2016-22

	2016	2017	2018	2019	2020	2021	2022
Visitor arrivals (number)	792,320	842,884	870,309	894,389	146,905	31,618	636,312
Visitor departures (number)	756,288	800,441	831,639	863,518	163,151	18,314	571,874
Average length of stay (days)	11.2	11.2	11.2	11.1	11.0	14.6	11.7
Room occupancy rate (%)	54.3	54.8	55.4	55.8	23.5	14.96	42.5
Hotel receipts (FJD million)	..	1,058,414	1,303,686	1,303,686	251,948	92,604	580,195
Earnings from tourism (FJD million)	1,823.4	1,924.3	2,010.3	2,065.4	314.9	36.5	964

.. Not available.

Source: Fiji Bureau of Statistics.

4.159. The legal framework in the tourism industry did not change significantly during the review period. Legislation pertaining to the tourism sector includes the Hotels and Guest House Act 1973, the Hotels and Guest House (Amendment) Act 2006, Hotels and Guest Houses (Amendment) Act 2021, Regulation of Surfing Areas Act 2010, the Tourism Fiji Act 2004, the Fiji Islands Visitors Bureau (Amendment) Promulgation 2009, the Foreign Investment Regulations 2009 (as amended in 2013) as well as other activity or project specific decrees.¹²¹

4.160. The Hotels and Guest House Act 1973 prohibits the use of any premises as a hotel accommodation unless the manager has obtained a licence in respect of those premises from the Hotels Licensing Board under the jurisdiction of the Office of the Attorney-General, as well as many other authorizations by other government departments.

4.161. Under the GATS, Fiji adopted specific commitments for hotels, motels, other tourist accommodations, and restaurants with no limitations on market access and national treatment in modes 1, 2, and 3, except for the requirements of normal government approval and registration for all foreign investors. In mode 4, entry is limited to managers and skilled employees, who are required to train locals on the job.

4.162. Most tourism activities are open to foreigners and nationals. Under the Foreign (Reserved and Restricted Activities) Investment Regulation 2022, there is a minimum investment threshold for a foreign investor wishing to engage in certain tourism-related activities. The exceptions to open foreign participation in tourism consist of homestay lodging services and backpacker operators, which are reserved for nationals, in accordance with the Foreign Investment Regulations 2022.

4.163. The Government is cognizant that tourism is an important driver for economic activities. It has, in the past, implemented a number of strategies and plans to encourage the sector's growth. As the sector moves into a more complex phase of its development with growing visitor arrivals, the authorities implemented during the review period Fijian Tourism 2021 (FT 2021), a comprehensive development plan to maintain industry growth, in particular expanding the tourism industry's worth from FJD 1.9 billion in 2017 to FJD 2.2 billion with 930,000 visitor arrivals by the end of 2021. This goal was to be achieved through, *inter alia*, an investment climate that encourages innovation, effective collaboration between the Government and the private sector, and forward planning for infrastructure and services. The authorities also rely on increased international and domestic air access to create new pathways for sector development. Additionally, FT 2021 sought to ensure sustainability of the tourism industry, by supporting the streamlining of legislation and policies in Fiji. Several strategies have since been implemented, including upgrading essential infrastructure such as airport and roads, revitalizing the tourism brand, assessing the cruise industry and the linkages between tourism and agriculture, modernizing the International Visitor Survey, investing in sports tourism, updating investment legislation, and further streamlining the tourism licensing regime.

4.164. According to the authorities, the Department of Tourism is leading a new strategy, a successor plan called the National Sustainable Tourism Framework (NSTF). The NSTF will be a 10-year Framework intended to build on the FT 2021 strategies while focusing on sustainability, resilience, and inclusiveness.

¹²¹ These include Regulation of Surfing Areas Decree 2010, Superyacht Charter Decree 2010, and Denarau (Nadi River) Development Decree 2011.

4.165. During the review period, among measures taken to support tourism activities, the Service Turnover Tax and Environment and Climate Adaptation Levy were suspended in the context of the COVID-19 pandemic. In addition, hotels and resorts were eligible for duty-free importation during that period.

4.166. As was the case during the previous Review, the tourism industry benefits from a range of other investment incentives (Table 4.12); according to the authorities, there has been no Government-conducted impact assessment of the incentives.

Table 4.12 Tourism incentives

Programme	Beneficiaries	Benefits
Standard Allowance	Hotels and international retiree facilities	Deduction of 50% of total capital expenditure (in addition to ordinary depreciation) against business income provided there is no shift of tax revenue to other countries. Applies to building of new facilities, including renovations, refurbishment, or extensions of existing hotel and international retiree facilities, and buying and selling of residential units in hotel and integrated tourism developments.
Short Life Investment Package (SLIP)	Hotels, international retiree facilities, and hospital resorts	A tax holiday of 5 to 20 years (depending on capital invested) for capital investments of not less than FJD 250,000. SLIP incentives are available for retiree facilities, hospital resorts, and new apartments provided the length of stay is not more than six months.
Backpacker operators	Backpacker hotels	Income tax exemptions for operators with an annual sales turnover of up to FJD 1 million.
Jet skis	Companies registered to operate water sports-related businesses	Duty concessions at a rate of 5%, and exemption for excise and VAT where applicable.
Existing hotels and resorts	Approved hotels and resorts	Duty concession on building material, furnishings and fittings, equipment including front office equipment, room amenities, kitchen and dining room equipment, utensils, and specialized water sport equipment.

Source: FRCS, *Hotel Investment Incentive*. Viewed at: https://www.fracs.org.fj/wp-content/uploads/2022/11/Incentive-Brochures-2022-24_11_22-update-compressed.pdf.

5 APPENDIX TABLES

Table A1.1 Merchandise re-exports by HS section, 2016-21

HS Section/ chapter/ subheading	2016	2017	2018	2019	2020	2021
Total re-exports (USD million)	379.5	459.0	443.9	424.9	299.2	274.3
01 Live animals and products	19.1	22.2	15.6	15.3	19.5	18.0
02 Vegetable products	0.4	0.2	0.3	0.3	0.5	0.8
03 Fats and oils	0.1	0.1	0.1	0.1	0.2	0.3
04 Prepared food, beverages and tobacco	2.6	4.0	7.7	4.6	7.2	7.6
05 Mineral products	44.8	37.8	46.9	45.0	35.9	33.3
06 Chemicals and products thereof	3.4	2.5	2.5	2.1	3.2	5.2
07 Plastics and rubber	1.0	0.9	0.7	0.5	0.9	0.8
08 Raw hides and skins; leather, furskins and articles thereof	0.0	0.0	0.0	0.0	0.1	0.1
09 Wood, cork, straw	0.2	0.2	0.2	0.1	0.2	0.3
10 Pulp of wood; paper and paperboard	0.1	0.1	0.2	0.1	0.3	0.5
11 Textiles and textile articles	1.5	1.2	1.0	0.9	2.2	1.8
12 Footwear, headgear, etc.	0.1	0.1	0.1	0.1	0.1	0.2
13 Articles of stone, plaster, cement	0.2	0.1	0.1	0.1	0.2	0.2
14 Precious stones and metals	0.3	1.1	0.2	0.2	0.0	0.0
15 Base metals and articles thereof	5.6	4.7	5.0	5.4	6.9	8.0
16 Machinery, electrical equipment	11.6	19.2	12.3	16.9	9.5	11.3
17 Transport equipment	4.5	3.4	4.9	5.4	10.1	9.0
18 Precision equipment	2.9	0.8	0.6	0.7	0.7	1.0
19 Arms and ammunition	0.0	0.0	0.0	0.0	0.0	0.0
20 Miscellaneous manufactured articles	1.0	1.1	1.1	1.4	1.2	1.2
21 Works of art, etc.	0.0	0.0	0.0	0.0	0.0	0.0
Other	0.5	0.4	0.4	0.6	1.4	0.5

Source: WTO Secretariat calculations, based on UN Comtrade database.

Table A1.2 Merchandise exports by HS section and major HS chapter/subheading, 2016-21

HS Section/chapter/subheading	2016	2017	2018	2019	2020	2021
Total exports (USD million)	922.0	1,036.1	1,006.8	965.2	826.2	815.3
01 Live animals and products	14.1	14.5	11.2	11.5	10.8	9.5
03 Fish and crustaceans, molluscs and other aquatic invertebrates	13.3	13.7	10.5	10.8	10.0	8.6
0303 Frozen fish	9.7	10.3	8.0	9.0	9.0	7.5
02 Vegetable products	5.1	4.7	5.0	5.6	7.3	8.7
07 Edible vegetables and certain roots and tubers	1.7	1.5	1.6	1.7	2.0	2.5
12 Oil seeds and oleaginous fruits; miscellaneous grains, seeds, fruit, and plants	0.7	1.1	1.5	1.6	2.1	2.4
03 Fats and oils	0.5	0.4	0.5	0.3	0.4	0.4
04 Prepared food, beverages and tobacco	24.7	28.7	26.6	27.3	24.4	28.6
16 Meat, fish and seafood food preparations	1.5	1.6	1.8	1.5	2.2	2.4
17 Sugars and sugar confectionery	6.4	9.2	4.5	5.5	6.8	5.4
1701 Cane or beet sugar and chemically pure sucrose, in solid form	6.1	8.4	3.8	4.8	5.6	3.8
19 Preparations of cereals, flour, starch or milk	3.2	3.0	3.1	3.5	4.3	5.0
22 Beverages, spirits and vinegar	12.2	12.1	13.3	14.5	8.8	13.2
220110 Mineral and aerated waters	11.0	11.4	12.5	14.1	8.3	12.8
05 Mineral products	19.9	17.8	22.1	20.4	13.8	12.0
27 Mineral fuels and oils	18.5	16.8	20.7	19.8	13.0	11.2
2710 Petroleum oils and oils from bituminous minerals, not crude	18.1	16.6	20.3	19.5	12.8	10.6
06 Chemicals and products thereof	2.7	2.6	2.9	2.8	3.4	4.1
07 Plastics and rubber	0.8	0.7	0.7	0.7	0.8	0.7
08 Raw hides and skins; leather, furskins and articles thereof	0.1	0.1	0.1	0.1	0.1	0.1
09 Wood, cork, straw	3.3	1.3	4.6	2.9	4.4	7.1
44 Wood and articles of wood, wood charcoal	3.3	1.3	4.6	2.9	4.4	7.1
440122 Wood for fuel, in chips or particles, non-coniferous	1.5	0.5	3.7	1.8	3.1	4.4
10 Pulp of wood; paper and paperboard	1.3	1.3	1.4	1.3	1.5	1.6
11 Textiles and textile articles	6.2	5.1	5.4	5.3	5.2	5.3
62 Articles of apparel and clothing accessories, not knitted or crocheted	4.1	3.3	3.5	3.7	3.4	3.2
12 Footwear, headgear, etc.	0.1	0.1	0.1	0.1	0.0	0.1
13 Articles of stone, plaster, cement	0.2	0.3	0.1	0.1	0.1	0.1
14 Precious stones and metals	6.8	6.1	5.6	5.3	7.1	7.2
7108 Gold, unwrought or in semi-manufactured forms, or in powder form	6.3	5.5	5.4	5.2	7.0	7.2
15 Base metals and articles thereof	3.1	2.9	3.1	3.3	3.5	3.9
73 Articles of iron or steel	2.2	1.9	2.0	2.2	2.3	2.4
16 Machinery, electrical equipment	6.2	9.8	6.6	8.6	4.7	5.4
85 Electrical and electronic equipment	4.5	8.0	5.2	7.1	3.5	3.8
17 Transport equipment	2.0	1.9	2.3	2.5	4.5	3.2
88 Aircraft, spacecraft, and parts thereof	1.2	0.8	1.1	1.8	3.4	2.5
18 Precision equipment	1.3	0.5	0.3	0.4	0.4	0.5
19 Arms and ammunition	0.0	0.0	0.0	0.0	0.0	0.0
20 Miscellaneous manufactured articles	0.8	0.8	0.8	0.9	0.8	0.8
21 Works of art, etc.	0.0	0.0	0.0	0.0	0.0	0.0
Other	0.5	0.5	0.5	0.5	6.8	0.5

Source: WTO Secretariat calculations, based on UN Comtrade database.

Table A1.3 Merchandise exports by destination, 2016-21

	2016	2017	2018	2019	2020	2021
Total exports (USD million)	922.0	1,036.1	1,006.8	965.2	826.2	815.3
	(% of total exports)					
Americas	19.4	19.3	19.2	22.9	21.0	22.4
United States	18.3	17.8	18.6	21.7	20.4	20.5
Other America	1.0	1.5	0.6	1.2	0.6	1.9
Canada	0.5	0.9	0.4	0.6	0.5	0.8
Europe	6.9	8.7	3.7	5.9	8.2	2.7
EU-27	2.5	4.2	3.3	4.4	2.5	1.1
EFTA	0.0	0.0	0.0	0.0	0.0	0.0
Other Europe	4.4	4.5	0.4	1.5	5.7	1.7
United Kingdom	4.4	4.5	0.4	1.5	5.7	1.7
CIS ^a	0.0	0.0	0.0	0.0	0.0	0.0
Africa	0.3	0.1	0.2	0.1	0.1	0.2
Middle East	0.2	0.7	0.2	0.2	0.2	0.3
Asia/Oceania	60.6	59.9	62.4	57.5	61.8	69.4
China	5.1	4.8	5.6	3.5	4.9	5.7
Japan	3.1	3.2	4.5	3.1	3.0	4.0
Other Asia/Oceania	52.4	51.9	52.3	50.9	53.9	59.7
Australia	15.0	14.4	13.4	13.7	15.0	16.5
New Zealand	7.0	6.7	6.8	7.6	7.0	8.2
Tonga	4.2	4.5	5.2	5.2	4.9	5.8
Vanuatu	4.2	3.1	3.0	2.9	3.4	3.6
Samoa	2.5	2.3	2.4	2.8	3.1	3.5
Kiribati	3.4	2.3	1.9	1.9	2.4	3.1
Tuvalu	1.0	1.1	2.2	1.5	1.6	2.1
American Samoa	1.3	1.0	1.8	1.5	2.6	1.9
Viet Nam	1.0	0.6	1.5	1.8	2.1	1.8
Korea, Republic of	0.3	0.4	0.3	0.6	0.4	1.7
Papua New Guinea	1.8	0.9	2.4	1.2	1.8	1.4
Solomon Islands	1.3	1.3	1.2	1.2	1.4	1.4
Wallis and Futuna Islands	1.0	1.0	1.1	1.0	1.2	1.3
Cook Islands	1.1	1.4	1.5	1.8	1.0	1.0
Marshall Islands	0.1	0.2	0.2	0.3	0.5	0.7
French Polynesia	0.5	0.7	1.2	0.6	0.7	0.7
Other	12.8	11.3	14.2	13.4	8.6	5.0
Bunkers	8.0	6.1	8.3	8.3	3.9	1.4

a Commonwealth of Independent States, including certain associate and former member States.

Note: Bunkers are ship stores and aircraft supplies, which consist mostly of fuels and food.

Source: WTO Secretariat calculations, based on UN Comtrade database.

Table A1.4 Merchandise imports by HS section and major HS chapter/subheading, 2016-21

HS Section/chapter/subheading	2016	2017	2018	2019	2020	2021
Total imports (USD million)	2,301.7	2,406.0	2,729.1	2,781.2	1,730.5	2,115.6
	(% of total imports)					
01 Live animals and products	6.5	6.6	4.9	4.3	6.4	5.1
04 Dairy products, eggs, honey	1.9	2.0	2.0	1.8	2.4	2.4
02 Vegetable products	5.6	5.6	5.2	5.4	8.0	7.1
10 Cereals	2.8	2.7	2.5	2.7	4.4	3.9
1001 Wheat and meslin	1.9	1.8	1.7	2.0	3.0	2.5
03 Fats and oils	1.2	1.3	1.2	0.9	1.8	1.9
04 Prepared food, beverages and tobacco	5.0	4.9	5.1	4.5	6.1	6.2
05 Mineral products	15.9	19.6	21.3	19.5	18.1	17.1
27 Mineral fuels and oils	15.2	18.8	20.8	18.9	17.4	16.5
2710 Petroleum oils and oils from bituminous minerals, not crude	14.1	17.6	19.3	17.8	16.3	14.9
06 Chemicals and products thereof	5.9	5.8	5.8	4.9	7.3	7.6
30 Pharmaceutical products	1.2	1.3	1.3	1.1	1.9	2.3
07 Plastics and rubber	5.5	5.1	5.3	4.3	5.6	6.2
39 Plastics and articles thereof	4.2	4.1	4.2	3.4	4.4	5.1
08 Raw hides and skins; leather, furskins and articles thereof	0.3	0.3	0.3	0.2	0.2	0.2
09 Wood, cork, straw	1.1	0.6	0.5	0.4	0.5	0.4
10 Pulp of wood; paper and paperboard	2.9	2.8	2.7	2.4	3.0	2.6
48 Paper and paperboard; articles of paper pulp	2.3	2.3	2.4	1.9	2.4	2.2
11 Textiles and textile articles	4.8	4.3	4.1	3.8	3.9	4.1
12 Footwear, headgear, etc.	0.5	0.6	0.5	0.5	0.4	0.5
13 Articles of stone, plaster, cement	1.3	1.2	1.1	0.9	1.2	1.0
14 Precious stones and metals	0.6	0.5	0.5	0.4	0.2	0.2
15 Base metals and articles thereof	6.9	7.2	6.4	5.1	7.3	6.2
72 Iron and steel	2.3	2.4	2.2	1.6	2.1	2.0
73 Articles of iron and steel	2.6	2.8	2.2	2.0	3.2	2.2
16 Machinery, electrical equipment	18.4	17.9	15.8	14.6	14.6	14.6
84 Machinery and mechanical appliances, parts thereof	11.1	10.1	8.7	8.0	8.2	7.7
85 Electrical machineries and parts thereof	7.4	7.8	7.1	6.6	6.4	6.9
8517 Telephone sets, including telephones for cellular networks (..)	2.2	2.4	2.7	2.8	2.4	2.7
17 Transport equipment	12.1	10.0	14.6	24.1	6.8	13.0
87 Vehicles other than railway, tramway, and parts thereof	10.2	7.0	8.2	5.1	4.5	4.8
88 Aircraft, spacecraft, and parts thereof	1.1	2.0	4.5	18.2	1.8	7.7
18 Precision equipment	1.9	1.9	1.6	1.1	3.1	3.3
90 Optical, photo, technical, medical, (..) apparatus	1.6	1.7	1.4	0.9	3.0	3.1
19 Arms and ammunition	0.0	0.2	0.0	0.1	0.1	0.1
20 Miscellaneous manufactured articles	2.9	2.9	2.6	2.3	2.7	2.4
94 Furniture; bedding, (..); lamps; illuminated signs; prefabricated buildings	0.0	0.0	0.0	0.0	0.0	0.0
21 Works of art, etc.	0.004	0.01	0.01	0.002	0.01	0.002
Other	0.5	0.6	0.4	0.5	2.6	0.2

Source: WTO Secretariat calculations, based on UN Comtrade database.

Table A1.5 Merchandise imports by origin, 2016-21

	2016	2017	2018	2019	2020	2021
Total imports (USD million)	2,301.7	2,406.0	2,729.1	2,781.2	1,730.5	2,115.6
	(% of total imports)					
Americas	3.5	3.8	3.3	4.0	4.5	10.9
United States	2.8	2.9	2.3	2.8	4.1	10.6
Other America	0.8	0.9	1.1	1.1	0.4	0.4
Europe	4.5	4.0	4.7	18.0	3.5	3.7
EU-27	3.1	2.5	3.5	16.9	2.3	3.0
France	0.9	0.7	0.4	13.9	0.6	0.8
Italy	0.6	0.3	0.2	0.3	0.3	0.4
Germany	0.4	0.4	0.3	0.4	0.3	0.4
Netherlands	0.2	0.2	0.2	0.2	0.3	0.3
Denmark	0.2	0.3	0.2	0.1	0.2	0.3
Belgium	0.1	0.3	0.1	0.1	0.1	0.3
EFTA	0.5	0.6	0.3	0.1	0.2	0.1
Other Europe	0.9	0.9	0.9	0.9	0.9	0.6
United Kingdom	0.9	0.8	0.8	0.9	0.5	0.4
CIS ^a	0.0	0.1	0.0	0.0	0.0	0.0
Africa	0.5	0.5	0.2	0.2	0.2	0.2
Middle East	0.4	0.3	0.6	0.5	1.5	0.5
United Arab Emirates	0.2	0.2	0.4	0.3	1.4	0.4
Asia	90.5	91.3	91.1	77.3	90.3	84.7
China	15.2	15.8	16.3	12.5	16.3	15.0
Japan	6.9	3.8	4.7	3.5	3.3	3.1
Other Asia	68.4	71.6	70.1	61.3	70.7	66.6
Singapore	15.4	19.2	20.9	18.2	18.2	17.1
Australia	17.4	16.6	15.7	14.2	17.8	16.9
New Zealand	17.5	17.3	14.6	12.3	16.4	14.8
Malaysia	2.4	2.1	2.5	1.8	3.1	3.0
India	2.2	2.4	2.4	2.5	2.7	2.7
Thailand	2.6	2.3	2.9	2.3	2.3	2.7
Chinese Taipei	1.7	1.9	2.0	1.3	1.5	2.1
Hong Kong, China	2.6	2.7	2.7	1.5	1.6	1.8
Indonesia	1.1	1.1	1.0	1.0	1.4	1.6
Korea, Republic of	3.4	4.0	3.3	3.5	2.6	1.5
Viet Nam	0.8	0.9	1.1	1.2	1.1	1.0
Vanuatu	0.1	0.3	0.3	0.4	0.5	0.3
Other	0.5	0.0	0.0	0.0	0.0	0.0

a Commonwealth of Independent States, including certain associate and former member States.

Source: WTO Secretariat calculations, based on UN Comtrade database.

Table A2.1 Main trade-related legislation

Area	Legislation	
Commerce	Companies Act 2015	
	Companies (Amendment) Act 2019	
	Companies (Amendment) Act 2020	
	Business Licensing (Repeal) Act 2020	
	Partnership Act 1910	
	Fijian Competition and Consumer Commission Act 2010	
	iTaukei Development Fund Act 1965	
	Public Enterprise Act 2019	
Investment	Small and Micro Enterprise Development (Repeal) Act 2019	
	Investment Act 2021	
	Foreign Investment (Amendment) Regulation 2013	
	Investment Fiji Act 2022	
	Investment Fiji Government Securities Act 1963	
Land	Multilateral Investment Guarantee Agency Act 1989	
	Land Development Act 1961	
	Land Sales Act 1974	
	Land Transfer Act 1971	
	Land Use Act 2010	
	iTaukei Lands Act 1905	
	iTaukei Lands Amendment Act 2002	
	iTaukei Land Trust (Budget Amendment) Act 2021	
	iTakuei Land Trust (Amendment) Act 2019	
	State Land Act 1945	
	State Lands (Amendment) Act 2022	
	Customs	Dumping and Countervailing Duties Act 1998
		Excise Act 1986
		Customs Act 1986
Fiji Revenue and Customs Services Act 1998		
Fiji Revenue and Customs Services (Amendment) Act 2020		
Fiji Revenue and Customs Services (Amendment) Act 2021		
Customs (Budget Amendment) (No. 2) Act 2022		
Customs Tariff Act 1986		
Customs Tariff (Budget Amendment) (No. 3) Act 2022		
Customs (Budget Amendment) Act 2021		
Customs (Budget Amendment) Act 2020		
Customs (COVID-19 Response) (Amendment) Act 2020		
Customs (Budget Amendment) Act 2019		
Customs Tariff (Budget Amendment) Act 2019		
Value Added Tax (Budget Amendment) Act 2021		
Taxation	Income Tax Act 2018	
	Value Added Tax Act 1991	
	Services Turnover Tax (Repeal) Act 2012	
	Tax Administration Act 2009	
	Tax Administration (Budget Amendment) Act 2022	
	Tax Administration (Budget Amendment) Act 2020	
	Tax Administration (COVID-19 Response) (Amendment) Act 2020	
	Tax Administration (Budget Amendment) Act 2019	
	Tax Free Zones Act 1991	
	Income Tax (Budget Amendment) Act 2022	
	Income Tax (Amendment) (No. 3) Act 2020	
	Income Tax (Budget Amendment) Act 2019	
	Income Tax (COVID-19 Response) (Amendment) Act 2020	
	Value Added Tax (Budget Amendment) (No. 3) Act 2022	
	Value Added Tax (Budget Amendment) Act 2020	
	Value Added Tax (COVID-19 Response) (Amendment) Act 2020	
	Value Added Tax (Budget Amendment) Act 2019	
	Excise Act 1986	
	Excise (Budget Amendment) Act 2022	
	Excise (Budget Amendment) Act 2020	
	Excise (Budget Amendment) Act 2019	
	Excise (Amendment) (No. 2) Act 2019	
	Stamp Duties (COVID-19 Response) (Amendment) Act 2020	
	Stamp Duties (Repeal) Act 2020	
Stamp Duties (Budget Amendment) Act 2019		
Fiji Revenue and Customs Service (Amendment) Act 2021		

Area	Legislation
Standards	Illicit Drugs Control Act 2004
	Illicit Drug Control (Budget Amendment) Act 2021
	Food Safety Act 2003
	Pesticides Act 1971
	Medicinal Products Act 2011
	Medicinal Products (Budget Amendment) Act 2022
	National and Trade Measurement Act 1989
	Trade Standards and Quality Act 1992
	Trade Standards and Quality Control Act 1992
	Disposal of Uncollected Goods Act 1994
	Second Hand Dealers Act 1971
Quarantine and SPS	Dumping and Countervailing Duties Act 1998
	Information Act 2018
	Biosecurity Act 2008
	Quarantine Act 1964
Competition	Food Safety Act 2003
	Biosecurity (Budget Amendment) Act 2021
	Fijian Competition and Consumer Commission Act 2010
	Fijian Competition and Consumer Commission (Budget Amendment) Act 2019
	Fijian Competition and Consumer Commission (Budget Amendment) Act 2020
	Brands Act 1928
	Consumer Council of Fiji Act 1976
Government procurement	Sale of Goods Act 1979
	Procurement Regulations 2010
	Copyright Act 1999
	Merchandise Marks Act
	Patents Act 1879
	United Kingdom Designs (Protection) Act 1963
	Trade-Marks Act 1933
	Patents Act 2021
	Designs Act 2021
	Agriculture	Agricultural Marketing Authority Act 2004
Banana Export and Marketing Act	
Coconut Industry Development Act 2010	
Co-operative Dairy Companies Act	
Copra Industry Loans Act	
Dairies Act	
Fiji Sugar Corporation (Repeal) Act 2005	
Fruit Export and Marketing Act	
Fruit Export and Marketing (Budget Amendment) Act 2021	
Ginger Council of Fiji Act 1996	
Liquor Act 2006	
Liquor (Amendment) Act 2022	
Meat Industry Act 1969	
Sugar Industry Act	
Tobacco Control Act 2010	
Tobacco Control (Amendment) Act 2022	
Goats (Ear Marks) Act 1955	
Mahogany Industry (Licensing and Branding) Act 2011	
Mahogany Industry Development Act 2010	
Forestry	Forest Act 1992
	Regulation of Ownership (Fiji Forest Industries Limited) Act 2011
Fisheries	Fisheries Act 1941
	Marine Spaces Act 1977
	Offshore Fisheries Management Act 2012
	Offshore Fisheries Management (Budget Amendment) Act 2021
Mining	Fisheries (Budget Amendment) Act 2022
	Fiji National Petroleum Company Limited Decree 1991
	Mining Act 1965
	Petroleum Act 1938
	Petroleum (Exploration and Exploitation) Act
Gold	Petroleum (Exploration and Exploitation) (Amendment) Act 1995
	Gold Dealers Act 1965
Scrap metal	Scrap Metal Trade Act 2011
Energy	Electricity Act 2017

Area	Legislation
Environment	Ozone Depleting Substances Act 1998
	Ozone Depleting Substances (Amendment) Act 2020
	Endangered and Protected Species Act 2002
	Environment Management Act 2005
	Environment Management (Budget Amendment) Act
	Environment Management (Amendment) Act 2020
	Environment and Climate Adoption Levy Act 2015
	Environment and Climate Adoption Levy (Revised Budget Amendment) Act 2022
	Environment and Climate Adaptation Levy (Budget Amendment) Act 2019
	Environment and Climate Adaptation Levy (Budget Amendment) Act 2020
Financial services	Climate Change Act 2021
	Banking Act 1995
	Bankruptcy Act
	Bills of Exchange Act 1891
	Insurance Act 1998
	Insurance Law Reform Act 1996
	Reserve Bank of Fiji Act 1983
	Consumer Credit Act 1999
	Exchange Control Act
	Fiji Development Bank Act 1966
	Marine Insurance Act
	Insurance (Budget Amendment) Act 2022
	Financial Transactions Reporting Act 200
	Financial Management Act 2004
	Financial Management (Budget Amendment) Act 2019
Financial Management (Revised Budget Amendment) Act 2022	
Telecommunications	Electronic Transactions Act 2008
	National Payment System Act 2021
	Media Industry Development (Budget Amendment) Act 2022
	Telecommunications (Amendment) (No. 2) Act 2020
	Telecommunications (Budget Amendment) Act 2022
Audiovisual	Television (Amendment) Act 2020
	Film Fiji Act 2002
	Television and Online Streaming Act 1992
	Television (Amendment) Act 2020
	Television (Cross-Carriage of Designated Events) (Repeal) Act 2022
	Media Industry Development Act 2010
Maritime transport	Media Industry Development (Budget Amendment) Act 2022
	Cinematography Films Act 1971
	Maritime Transport Act 2013
	Maritime Transport (Amendment) Act 2019
Air transport	Maritime Transport (Budget Amendment) Act 2021
	Sea Carriage of Goods Act 1926
	Civil Aviation Act
	Civil Aviation Authority of Fiji Act
Road transport	Civil Aviation Reform Act 1999
	Airport Departure Tax (Revised Budget Amendment) Act 2022
	Land Transport Act 1998
	Land Transport Act (Revised Budget Amendment) Act 2022
Tourism	Land Transport (Amendment) Act 2019
	Fiji Roads Authority Act 2012
	Tourism Fiji Act 2004
Health	Income Tax (Hotel Incentives Amendment) Act 2007
	Hotels and Guest Houses (Amendment) Act 2021
	Pharmacy Profession Act 2011
	Pharmacy Profession (Amendment) Act 2020
	Medical and Dental Practitioners Act 2010
	Medical and Dental Practitioner (Revised Budget Amendment) Act 2022
Medical Products Act 2011	
Medical Products Act (Budget Amendment) (No. 2) Act 2021	

Source: Laws of Fiji. Viewed at: <https://www.laws.gov.fj/>; and information provided by the authorities.

Table A3.1 Fiji's applied MFN tariff summary, 2022

	Number of lines	Average (%)	Range (%)	Standard deviation	Duty free (%)	Share of bound rates
Total	6,521	6.2 (7.7)	0-32 (0-1,110.2)	7.5 (28.6)	26.2	47.5
HS 01-24	1,064	9.6 (17.6)	0-32 (0-1,110.2)	8.4 (67.3)	12.6	75.3
HS 25-97	5,457	5.5 (5.7)	0-32 (0-290.3)	7.2 (8.8)	28.8	42.1
By WTO category						
WTO agricultural products	867	7.5 (17.5)	0-32 (0-1,110.2)	8.5 (74.7)	18.3	99.9
Animals and products thereof	121	12.3	0-32	12.0	9.1	100.0
Dairy products	39	5.3	0-15	2.5	5.1	100.0
Fruit, vegetables, and plants	224	4.5	0-32	4.9	36.2	100.0
Coffee and tea	28	6.1	0-15	4.5	14.3	100.0
Cereals and preparations	103	9.2 (11.4)	0-32 (0-208.2)	9.7 (21.9)	8.7	100.0
Oils seeds, fats, oil and their products	94	7.4	0-32	6.0	18.1	98.9
Sugars and confectionery	17	11.4	5-32	11.5	0.0	100.0
Beverages, spirits and tobacco	97	19.8 (114.6)	5-32 (5-1,110.2)	11.4 (215.5)	0.0	100.0
Cotton	5	0.0	0-0	0	100.0	100.0
Other agricultural products, n.e.s.	139	4.1	0-15	2.4	21.6	100.0
WTO non-agricultural products	5,654	6.0 (6.2)	0-32 (0-290.3)	7.4 (8.8)	27.4	39.5
Fish & fishery products	262	14.2	5-32	4.4	0.0	1.1
Minerals & metals	1,025	6.4	0-32 (0-86.3)	6.2 (6.6)	3.4	45.7
Chemicals & photographic supplies	1,066	8.3 (8.5)	0-32 (0-145.9)	9.1 (10.2)	5.7	6.5
Wood, pulp, paper & furniture	374	9.2	0-32	9.7	3.2	0.8
Textiles	632	2.6	0-32	4.7	59.2	78.0
Clothing	243	8.5	0-15	5.9	16.5	100.0
Leather, rubber, footwear & travel goods	184	7.2 (8.6)	0-32 (0-290.3)	5.9 (21.6)	3.3	0.0
Non-electric machinery	625	0.2	0-5	0.9	96.6	99.4
Electric machinery	310	4.4	0-32	3.8	22.3	99.4
Transport equipment	448	5.3 (6.2)	0-32 (0-73.8)	7.2 (9.9)	44.0	0.0
Non-agricultural products, n.e.s.	452	5.1	0-32	7.2	33.0	5.5
Petroleum	33	5.0 (9.4)	5-5 (0.7-53.7)	0.0 (10.3)	0.0	0.0
By ISIC sector						
ISIC 1 - Agriculture, hunting & fishing	416	6.2	0-32	6.0	26.0	71.9
ISIC 2 - Mining	100	5.0	5-5 (2.7-5)	0.0 (0.2)	0.0	0.0
ISIC 3 - Manufacturing	6,004	6.2 (7.8)	0-32 (0-1,110.2)	7.7 (29.7)	26.6	46.1
Manuf. excluding food processing	5,309	5.6 (5.8)	0-32 (0-290.3)	7.3 (8.9)	29.4	43.1
ISIC 4 - Electrical energy	1	5.0	5-5	0.0	0.0	0.0
By stage of processing						
First stage of processing	799	6.4	0-32	5.5	20.5	52.1
Semi-processed products	2,064	7.0 (7.2)	0-32 (0-145.9)	8.5 (9.4)	17.6	34.2
Fully processed products	3,658	5.6 (8.2)	0-32 (0-1,100.2)	7.3 (37.4)	32.2	53.4
By HS section						
01 Live animals & products	392	13.1	0-32	7.5	3.8	42.6
02 Vegetable products	324	3.9	0-15	3.3	30.6	100.0
03 Fats & oils	59	8.8	0-32	7.3	28.8	94.9
04 Prepared food, beverages & tobacco	289	11.8 (42.3)	0-32 (0-1,100.2)	10.5 (128.1)	1.0	79.9
05 Mineral products	180	5.2 (5.9)	0-15 (0-53.7)	1.6 (4.7)	0.6	0.0
06 Chemicals & products thereof	958	7.5	0-32 (0-51.4)	8.6 (8.7)	9.1	13.0
07 Plastics, rubber, & articles thereof	278	9.6 (11.1)	0-32 (0-290.3)	9.6 (21.2)	1.1	0.0
08 Raw hides & skins, leather	78	5.5	5-32	3.2	0.0	17.9
09 Wood & articles of wood	174	7.9	5-32	8.3	0.0	0.0
10 Pulp of wood, paper & paperboard	172	10.9	0-32	10.9	5.2	0.0
11 Textiles & textile articles	856	3.9	0-32	5.4	50.9	88.6
12 Footwear, headgear, etc.	48	8.5	0-15	5.4	8.3	0.0
13 Articles of stone, plaster, cement	170	5.3	5-15	1.7	0.0	0.0
14 Precious stones & metals, pearls	59	5.8	5-15	2.8	0.0	0.0
15 Base metals & articles thereof	650	7.1 (7.2)	0-32 (0-86.3)	7.4 (8.0)	1.5	70.9
16 Machinery, electrical equipment, etc.	938	1.6	0-32	3.1	71.5	99.8

	Number of lines	Average (%)	Range (%)	Standard deviation	Duty free (%)	Share of bound rates
17 Transport equipment	460	5.3 (6.2)	0-32 (0-73.8)	7.2 (9.9)	44.1	0.0
18 Precision equipment	236	2.7	0-5	2.5	46.2	0.0
19 Arms & ammunition	20	28.8	0-32	9.6	10.0	0.0
20 Miscellaneous manufactured articles	161	5.6	0-32	6.7	23.0	2.5
21 Works of art, etc.	19	5.0	5-5	0.0	0.0	0.0

Note: Excluding specific rates and including the *ad valorem* part of alternate rates. Figures in brackets include AVEs, as available. Calculations for AVEs are based on 2020 import data taken from UN Comtrade.

Source: WTO Secretariat calculations, based on information provided by the FRCS.

Table A3.2 Applied MFN rate exceeding bound rate, 2022

HS Code	Applied MFN 2022	AVE ^a	Bound rate	AVE ^a
21069032	FJD 56.71 per litre	38.5%	FJD 15 per litre	10.2%
21069039	FJD 99.30 per litre alcohol	208.2%	FJD 25 per litre of alcohol	52.4%
22021020	32% or FJD 2 per litre whichever is greater	46.1%	40%	
22030010	FJD 2.66 per litre	74.6%	70%	
22030090	FJD 3.62 per litre	144.3%	70%	
22042190	FJD 5.02 per litre	78.4%	40%	
22042990	FJD 5.02 per litre	63.9%	40%	
22060019	FJD 3.46 per litre	78.1%	70%	
22060022	FJD 3.46 per litre	83.7%	40%	
22060029	FJD 5.52 per litre	273.6%	40%	
22060099	FJD 5.02 per litre	74.3%	40%	
22071000	FJD 99.30 per litre of alcohol	1110.2%	FJD 25 per litre of alcohol	279.5%
22072010	FJD 56.71 per litre	746.3%	FJD 15 per litre	197.4%
22072090	FJD 99.30 per litre of alcohol	541.2%	FJD 25 per litre of alcohol	136.3%
22082020	FJD 56.71 per litre	130.7%	FJD 15 per litre	34.6%
22082090	FJD 99.30 per litre of alcohol	..	FJD 25 per litre of alcohol	..
22083010	FJD 2.24 per litre	76.6%	70%	
22083020	FJD 56.71 per litre	52.2%	FJD 15 per litre	13.8%
22083090	FJD 99.30 per litre of alcohol	61.1%	FJD 25 per litre of alcohol	15.4%
22084020	FJD 56.71 per litre	267.7%	FJD 15 per litre	70.8%
22084090	FJD 99.30 per litre of alcohol	96.8%	FJD 25 per litre of alcohol	24.4%
22085020	FJD 56.71 per litre	281.2%	FJD 15 per litre	74.4%
22085090	FJD 99.30 per litre of alcohol	361.8%	FJD 25 per litre of alcohol	91.1%
22086020	FJD 56.71 per litre	268.8%	FJD 15 per litre	71.1%
22086090	FJD 99.30 per litre of alcohol	..	FJD 25 per litre of alcohol	..
22087012	FJD 56.71 per litre	222.2%	FJD 15 per litre	58.8%
22087019	FJD 99.30 per litre of alcohol	110.8%	FJD 25 per litre of alcohol	27.9%
22087022	FJD 56.71 per litre	34.4%	FJD 15 per litre	9.1%
22087029	FJD 99.30 per litre of alcohol	..	FJD 25 per litre of alcohol	..
22089021	FJD 56.71 per litre	..	FJD 15 per litre	..
22089029	FJD 56.71 per litre	145.7%	FJD 15 per litre	38.6%
22089091	FJD 99.30 per litre of alcohol	688.6%	FJD 25 per litre of alcohol	173.4%
22089099	FJD 99.30 per litre of alcohol	62.0%	FJD 25 per litre of alcohol	15.6%
24011000	FJD 347.89 per kg	..	FJD 40 per kg	..
24012000	FJD 347.89 per kg	..	FJD 40 per kg	..
24013000	FJD 347.89 per kg	..	FJD 40 per kg	..
24021000	FJD 223.97 per kg	13.3%	FJD 30 per kg	1.8%
24029010	FJD 223.97 per kg	..	FJD 30 per kg	..
24031100	FJD 223.97 per kg	..	FJD 30 per kg	..
24031900	FJD 223.97 per kg	570.8%	FJD 30 per kg	76.5%
24039990	FJD 194.76 per kg	1042.6%	FJD 30 per kg	160.6%

.. Not available.

a AVE calculated using 2020 import value and volume provided by UN Comtrade.

Source: WTO Secretariat calculations, based on information provided by the FRCS and by the authorities.

Table A3.3 Tax and customs incentives

Tax and customs incentives		
1. 2009-2023 INVESTMENT PACKAGE		
Corporate tax rate reduction		
Year	Resident companies	Non-resident companies
2009	From 31% to 29%	From 31% to 29%
2010	From 29% to 28%	From 29% to 28%
2011	28%	28%
2012	From 28% to 20%	From 28% to 20%
2013 – Current (2023)	20%	20%
The corporate tax rate applicable to an approved global or regional headquarters is increased from 17% to 20% (effective tax year 2023).		
The 10% reduced rate of corporate tax available to companies listed on the SPSE will only be available for seven years. Companies that have enjoyed for seven years or more will now pay the corporate tax at the rate of 20% (effective tax year 2023).		
The rates of Income Tax and Social Responsibility Tax for Resident Individuals are:		
Chargeable income (FJD)	Income Tax (FJD)	Social Responsibility Tax (FJD)
0-30,000	Nil	Nil
30,001-50,000	18% of excess over FJD 30,000	Nil
50,001-270,000	FJD 3,600 + 20% of excess over FJD 50,000	Nil
270,001-300,000	FJD 47,600 + 20% of excess over FJD 270,000	18% of excess over FJD 270,000
300,001-350,000	FJD 53,600 + 20% of excess over FJD 300,000	FJD 5,400 + 19% of excess over FJD 300,000
350,001-400,000	FJD 63,600 + 20% of excess over FJD 350,000	FJD 14,900 + 20% of excess over FJD 350,000
400,001-450,000	FJD 73,600 + 20% of excess over FJD 400,000	FJD 24,900 + 21% of excess over FJD 400,000
450,001-500,000	FJD 83,600 + 20% of excess over FJD 450,000	FJD 35,400 + 22% of excess over FJD 450,000
500,001-1,000,000	FJD 93,600 + 20% of excess over FJD 500,000	FJD 46,400 + 23% of excess over FJD 500,000
1,000,001+	FJD 193,600 + 20% of excess over FJD 1,000,000	FJD 161,400 + % of excess over FJD 1,000,000
The rates of Income Tax and Social Responsibility Tax for non-Resident Individuals are:		
Chargeable income (FJD)	Income Tax (FJD)	Social Responsibility Tax (FJD)
0-30,000	20% of excess over FJD 0	Nil
30,001-50,000	FJD 6,000 + 20% of excess over FJD 30,000	Nil
50,001-270,000	FJD 10,000 + 20% of excess over FJD 50,000	Nil
270,001-300,000	FJD 54,000 + 20% of excess over FJD 270,000	18% of excess over FJD 270,000
300,001-350,000	FJD 60,000 + 20% of excess over FJD 300,000	FJD 5,400 + 19% of excess over FJD 300,000
350,001-400,000	FJD 70,000 + 20% of excess over FJD 350,000	FJD 14,900 + 20% of excess over FJD 350,000
400,001-450,000	FJD 80,000+ 20% of excess over FJD 400,000	FJD 24,900 + 21% of excess over FJD 400,000
450,001-500,000	FJD 90,000+ 20% of excess over FJD 450,000	FJD 35,400 + 22% of excess over FJD 450,000
500,001-1,000,000	FJD 100,000 + 20% of excess over FJD 500,000	FJD 46,400 + 23% of excess over FJD 500,000
1,000,001+	FJD 200,000 + 20% of excess over	FJD 161,400 + 24% of excess over FJD 1,000,000
Investment allowance		
Investment allowance (excluding cost of labour) of 40% for extension and renovation expenses with a minimum qualifying capital expenditure of FJD 50,000. This is only available to existing businesses in Vanua Levu.		
Accelerated depreciation		
Accelerated depreciation for all commercial buildings can be written off subject to the applicable rates. Provisional approval is required to qualify for the incentive.		
Export income deduction		
"Export income" means net profits derived by a taxpayer from the business of exporting goods and services but excludes re-exports. Deduction shown below:		
Year of assessment	Percentage of export income to be deducted	
2011	50%	
2012	40%	
2013	40%	
2014	40%	
2015	50%	

Tax and customs incentives	
2016	50%
2017	50%
2018	50%
2019	50%
2020	60%
2021	60%
2022	60%
2023-2024	Agriculture, fisheries or forestry: 90% Any other industry: 60%
Loss carried forward	
Loss carried forward can be claimed up to eight years (if the loss was incurred on or after 1 January 2019). Prior to year 2019, the loss carry-forward was up to four years.	
Production inputs	
All goods used as raw materials in the manufacture of approved goods not available locally will attract zero fiscal duty applicable VAT, and all raw material used for manufacturing by companies outside of Viti Levu will attract zero fiscal duty + zero import excise + applicable VAT (zero, 9%, and 15%).	
All goods approved for assembling, mixing, or blending for the processing of finished goods (excluding alcoholic beverages under Chapter 22 and motor vehicles under Chapter 87 will attract 3% fiscal duty + zero free excise and applicable VAT).	
Capital items	
Duty rates on capital items (which refer to machinery used for converting/processing raw materials) will attract zero fiscal duty + applicable VAT.	
2. HOTEL INDUSTRY INCENTIVES	
Standard allowance	
Investment allowance (in addition to ordinary depreciation) of 50% of total capital expenditure is allowed as a deduction provided there is no shift of tax revenue to other countries.	
Applicable to building of new hotels including renovations or refurbishments or extensions of existing hotels or integrated tourism development.	
Investment allowance can only be written off against the income of the hotel business or income from the hotel premises.	
Losses carry forward to next successive fiscal years of income of the hotel owner until the amount is wholly set off.	
Recipients of the provisional approval for standard allowance shall complete construction of the project within 24 months of the provisional approval date.	
New Short Life Investment Package	
Short Life Investment is granted for building of a new hotel or integrated tourism development or to undertake refurbishment and renovation of an existing hotel. Tax holiday is subject to the level of capital investments, ranging from 5 years to 20 years, with minimum investment of FJD 250,000.	
Import duty exemption on all capital equipment, plant, and machinery, including building materials, furnishings and fittings, room amenities, kitchen and dining room equipment and utensils, and specialized water sports equipment, but does not include motor vehicles.	
Investors need to meet the qualifying criteria, such as obtain provisional approval in order to benefit from this incentive.	
Backpacker operations	
The income of any taxpayer who is a Fiji national, with an annual gross turnover not exceeding FJD 1,000,000, is exempt income.	
3. AUDIOVISUAL INCENTIVES	
Income tax deductions	
150% deduction for capital expenditure on an F1 audiovisual production.	
125% deduction for capital expenditure on an F2 audiovisual production.	
Levels of expenditure in Fiji for an audiovisual production for F1 and F2 status should not be less than:	
- 40% for a large format film, a feature film, or broadcast television programmes;	
- 50% for a direct to video programme or video disk programme; and	
- 55% for an audio recording.	
Income tax exemption	
Net income from an F1 production is exempt until the taxpayer has received a 60% return on capital expended. Thereafter, net income will be fully taxed at the marginal rate.	
Net income from an F2 production is exempt until the taxpayer has received a 50% return on capital expended. Thereafter, net income will be fully taxed at the marginal rate.	
Studio City Zone concessions	
Any sole proprietor, partnership, or company that carries on a production activity (the production of, distribution of or supply of services to audiovisual productions) may qualify for an operating licence in the Studio City Zone and be entitled to an exemption from tax on the income from the production activity carried on in the Zone.	
Tax-free status for "permanent residents" of the Studio City Zone on income derived as earnings from audiovisual productions.	
For residence in the Zone to be approved, in the case of citizens, the individual must be:	
- resident in the Zone for at least 183 days;	
- have pre-tax audiovisual earnings in excess of FJD 100,000;	
- have fixed assets in the Zone in excess of FJD 250,000; and	
- maintain a primary place of residence in the Studio City Zone.	
For residence in the Zone to be approved, in the case of non-citizens (or a citizen who derives a minimum of 80% of audiovisual earnings from outside Fiji), the individual must be:	
- resident in the Zone for at least 60 days;	

Tax and customs incentives	
<ul style="list-style-type: none"> - net annual audiovisual earnings in excess of FJD100,000 in the year of assessment; - have fixed assets in the Zone in excess of FJD 250,000; and - maintain a permanent place of residence in the Studio City Zone. 	
Film tax rebate	
Fiji Film Tax Rebate	
Rebate amount	20% tax rebate or credit on production costs spent in Fiji: paragraph 68(1)
Eligibility	Film and television productions, as per existing Sixth Schedule: paragraph 69
Minimum spend in country	Minimum spend in Fiji FJD 250,000 for feature films and broadcast television; and FJD 50,000 for production intended as an advertising programme or commercial in at least one significant international market: paragraph 69(e)
Maximum rebate	FJD 4 million, so even if more than FJD 20 million spent in Fiji the maximum rebate is still FJD 20 million: paragraph 69(2)
Exclusions	Where a producer has chosen to access the film tax rebate, the producer will not be able to obtain any other tax concessions under Part 3 of Sixth Schedule: paragraph 67(2).
Additional incentives (allowable expenditures):	
<p>Allowable expenditure incurred for services rendered by the producers (producer's fees) – provided that such expenditure shall not exceed 10% of the total Fiji expenditure. Producers are not restricted to remain in Fiji throughout the production of the film.</p> <p>75% of the expenditure incurred to purchase costumes, make-up, and set design properties not available in Fiji that will be used in relation to the film production in Fiji provided that any such costumes, make-up, and set design properties shall be left in Fiji at the end of the production.</p> <p>Expenditure incurred to purchase the writer's story and rights for the production of the film provided that the producer submits the following documentary evidence:</p> <ul style="list-style-type: none"> - Notarized legal contract with the writer which is registered in Fiji with the Registrar of Deeds upon payment of the appropriate stamp duty; - Evidence of payment made directly into the writer's bank account from the Fiji bank account; and - Receipt of acknowledgement of payment received. <p>Approved post-production expenditure on the film paid from a Fiji bank account to the extent that it is incurred or reasonably attributable to approved post-production services in relation to the completing of the film made in Fiji. The maximum payable in rebate shall be granted upon the production of documentary evidence of the expenditure. Rebate is around 2%-2.5% of production budget.</p> <p>Expenditures incurred on hiring of cameras and filming equipment from outside Fiji, where such cameras and filming equipment are not available in Fiji.</p>	
Additional requirements	
<p>Companies should engage audiovisual agents.</p> <p>Fiji as a location needs to be accredited and acknowledged in the film's credits and other accreditation as stipulated by Film Fiji in its approval letter.</p>	
4. AGRICULTURAL INCENTIVES	
Commercial agriculture and agro-processing	
<p>This incentive is specifically designed to assist large-scale cultivation of agricultural produce or livestock farming and value addition activities that transform agricultural products or commodities into different forms for sale purposes. Minimum capital investment required is FJD 100,000 while tax holidays range from 5 years to 20 years and are subject to the level of capital investment. Investors need to meet the qualifying criteria and the project (established on or after 1 August 2021) be completed within 2 years from the date of provisional approval granted.</p> <p>The importation of all agricultural items will be subject to zero duty.</p>	
Biofuel production	
<p>The income of a person derived from a new activity in processing agricultural commodities into bio-fuels as approved by the CEO from 1 January 2009 to 31 December 2028 and employing 20 local employees or more for each year for the duration of the income tax exemption, shall be exempt from tax as follows:</p> <ul style="list-style-type: none"> • Capital investment from FJD 250,000 to FJD 1,000,000 for a period of 5 conservative fiscal years; or • Capital investment from FJD 1,000,001 to FJD 2,000,000 for a period of 7 conservative fiscal years; or • Capital investment above FJD 2,000,001 for a period of 13 consecutive fiscal years. <p>Duty-free importation of plant, machinery, and equipment for initial establishment of the factory.</p> <p>Duty-free importation of chemical required for biofuel production.</p>	
5. SMALL AND MICRO ENTERPRISES	
<p>The income of prescribed small and micro enterprises engaged in agriculture, fisheries, or tourism that have a gross turnover not exceeding FJD 500,000 is exempt income.</p>	
6. TAX FREE REGION (TFR) INCENTIVES	
TFR incentives	
Who will qualify for this incentive?	
<p>This incentive is available to a newly incorporated entity engaged in a business established in the following areas:</p> <ul style="list-style-type: none"> - Vanua Levu including Taveuni, Rabi, Kioa, and other islands generally included for the Government's administrative purposes as being in the Northern Division - Rotuma - Kadavu - Levuka - Lomaiviti - Lau - Nausori-Lautoka region (from Nausori Airport side of the Rewa River (excluding township boundary) to the Ba side of the Matawalu River) 	

Tax and customs incentives

- Naboro – for companies that are engaged in waste management business only
- Tamavua ICT Park – for companies that are engaged in ICT business as defined in the Income Tax (Tax Free Region Incentives) Regulations 2016

Any company may apply to the Minister for Finance using a prescribed form (Form 6) for an operating licence.

Criteria for grant of licence

The company is a newly incorporated entity engaged in a business.

The minimum initial level of investment should be FJD 250,000 or the minimum initial level of investment for the Tamavua ICT Park should be FJD 10,000,000.

Tax exemptions available

The income of any new activity approved and established between 1 January 2010 to 31 December 2018 shall be exempt from tax as follows:

- capital investment from FJD 250,000 to FJD 1,000,000, for a period of 5 consecutive fiscal years; or
- capital investment from FJD 1,000,000 to FJD 2,000,000, for a period of 7 consecutive fiscal years; or
- capital investment above FJD 2,000,000 for a period of 13 consecutive fiscal years.

Duty exemption

Import duty exemption on the importation of raw materials, machinery, and equipment (including parts and materials) insofar as they are required for the establishment of the business in the Tax Free Region.

Other benefits under the TFR

Additional 5 years of income tax exemption is available to any company granted a licence and having indigenous landowner equity of at least 25%.

Additional 7 years of income tax exemption is available to any hotel developer granted a licence and having indigenous landowner equity of at least 25%.

7. INFORMATION COMMUNICATION TECHNOLOGY (ICT) INCENTIVES

ICT incentives include those services provided by a person by way of software development, call centres, customer contact centres, engineering and design, research and development, animation and content creation, distance learning, market research, travel services, finance and accounting services, human resource services, legal services, compliance and risk services, or other administrative services (e.g. purchasing, etc.), but does not include an Internet cafe or any retail or wholesale of information technology products or the repair, sale, or service of any such products.

Various ICT-related incentives available are as follows:

- ICT Infrastructure Investment Incentive – the income of an approved company engaged in the establishment, development, or construction of ICT infrastructure approved and established on or after 1 August 2021 shall be exempt from tax, based on the capital investment (minimum requirement is FJD 2,000,000).
- New ICT operator – the income of any new operator who is granted a licence after 1 January 2009 is exempt from tax for a period of 20 years.
- Research and Development – a 250% tax deduction is applicable on any expenditure incurred by an eligible ICT company investing in Research and Development.
- ICT Accredited Training Institutions – an ICT training institution is allowed a deduction of 150% for the amount of expenses incurred. The income of an any new operator setting up an internationally accredited ICT training institution will be exempt from tax for a period of 13 years.
- Application Design and Software Development – A person is allowed a deduction for 150% of the amount of expenses incurred in the ICT start-ups involved in application design or software development. The income will be exempted from tax for a period of 13 years.

Duty concessions on the importation of capital goods are provided, where applicable.

8. MANUFACTURERS INCENTIVES**Food processing & forestry**

100% of the amount of investment as a deduction for investing in food processing as well as forestry.

Re-investment will also be allowed for expansion purposes. In order to qualify, the investor should utilize 50% of local produce in its production process.

Renewable energy projects and power cogeneration

5-year tax holiday is available to a taxpayer undertaking a new activity in renewable energy projects and power cogeneration as approved by the CEO.

A company is allowed a deduction for 250% of the amount of expenses incurred for research and development of ICT and renewable energy industries.

In accordance to Part of the Income Tax Regulations, Accelerated Allowance For Renewable – a taxpayer may apply to claim 100% write-off in the tax year of expenditure in respect of the capital expenditure incurred for the installation of a renewable energy plant or water storage facility.

Duty-free importation of renewable energy goods is also available under Concession Code 264 of the Customs Tariff Act.

9. OTHER INCENTIVES**Shipping companies – maritime shipping**

The income of a shipping company derived from servicing the Rotuma and Lau Group, as approved by the CEO, is exempt income for a period of 7 consecutive tax years.

Unit trust companies – withholding tax and capital gains tax waiver

Withholding taxes and capital gains taxes on interest income distribution to investors of the unit trusts will be waived.

Fiji My Second Home Programme

This Programme is open to citizens of other countries recognized by Fiji in the "Fiji My Second Home Programme" as administered by the Department of Immigration.

Interest income is exempt from tax under the following criteria:

Tax and customs incentives	
<ul style="list-style-type: none"> - Age below 50 years old: Minimum deposit of FJD 150,000 and maintain the deposit in Fiji for a minimum of 2 years. - Age 50 years and above: Minimum deposit of FJD 100,000 and maintain the deposit in Fiji for a minimum of 2 years. <p>To qualify, the applicant must maintain a minimum balance of FJD 50,000 from the third year onwards and throughout the entire stay in Fiji.</p>	
Foreign Currency Account Scheme	
Interest income is exempt from tax which accrues to or in favour of non-residents (including former Fiji residents) who hold funds in Fiji commercial bank accounts under the following criteria:	
<ul style="list-style-type: none"> - For foreign currency accounts, interest income for deposit above the equivalent of FJD 150,000; and - For Fiji dollar accounts, any amount of interest income. 	
Other incentives	
Employment Taxation Scheme	
a) First-time employees	
A person carrying on business in Fiji is allowed a deduction for 300% of the amount of any salary or wages paid to a qualifying employee between 1 August 2016 and 31 December 2024.	
b) Work placements	
A person is allowed a deduction of 300% of the amount of any salary or wages paid to a student for employment before the student's graduation where the employment forms part of the student's course requirements of a higher education institution.	
c) Apprenticeship	
A person is allowed a deduction for 300% of the amount of any salary or wages paid to a student for employment of the student under an apprenticeship before the student's graduation where the apprenticeship forms part of the student's course requirements of a higher education institution.	
d) Part-time workers	
A person is allowed a deduction for 300% of the amount of any salary or wages paid to a student for employment of the student in an area related to the student's area of study for a period not exceeding 3 months in a 12-month period.	
e) Persons with disabilities	
A person is allowed a deduction of 400% of the amount of any salary or wages paid to a person with a disability for a consecutive period of 3 years, provided that if the employee is unfairly dismissed, any deduction allowed will be recouped.	
f) Employee development	
A person is allowed a deduction for 150% of the amount paid by the person for an employee's education fees to study during the employee's employment, provided that the employee is required to work for the person for a minimum of one year upon the completion of the employee's study.	
A person is allowed a deduction of 150% of the amount paid for training the person's employee, provided that the training is conducted through a training provider approved by the CEO.	
g) Employees affected by COVID-19	
A person is allowed a deduction for 300% of the amount of salary or wages paid to an employee if the employee:	
i) has tested positive for COVID-19 or is a primary or secondary contact of a person who has tested positive for COVID-19; and	
ii) is required by the Ministry of Health and Medical Services to be quarantined.	
Donation of new computers, laptops and tablets – 150% and 200% tax deductions for donation of computers to schools registered with the Ministry of Education will be available with the following features:	
<ul style="list-style-type: none"> - 200% tax deduction relates to donation to schools in rural areas; - 150% tax deduction relates to donation to schools in urban areas; and - Donations to be between FJD 10,000 to FJD 100,000. 	
Voluntary contribution for disaster relief – 200% tax deduction for voluntary contribution of cash donation by businesses towards a Disaster Relief Fund. The threshold will range from a minimum contribution of FJD 10,000.	
Sports sponsorship – A business is allowed a deduction for 150% of the full amount of a cash donation made in a tax year to a sporting entity recognized by the Fiji National Sports Commission.	
Local artists – A hotel or resort carrying on business in Fiji is allowed a deduction for 150% of the amount of any salary or wages paid for the employment of a local artist such as craftsperson, dancer, or musician.	
Sponsorship of hiring of international coaches – 150% tax deduction for sponsorship between FJD 100,000 and FJD 200,000 towards the hiring of international sporting coaches.	
Cash contribution towards housing projects – 150% tax deduction for cash contributions up to FJD 50,000 towards any government-sanctioned housing project for squatters and informal settlements.	
Incentives for senior citizens – All senior citizens (over 55 years) and pensioners will be exempted from paying resident interest withholding tax on interest income of up to FJD 30,000 from bank deposits or pensions, provided this is their only source of income.	
10. OTHER CUSTOMS CONCESSIONS INTRODUCED FROM YEAR 2016 ONWARDS	
Concession	Description
Transport sector	<ul style="list-style-type: none"> • A new concession code 287 was first introduced for approved taxi operators with only one vehicle, qualified for reduced duty rates. • 0% fiscal duty on the importation of bus was introduced for the bus companies with a turnover of FJD 1.5 million. • The inter-island shipping concession was expanded to allow duty-free importation of identifiable fixtures and components, new vessels, and used vessels (2 years only).

Tax and customs incentives	
International events	Concession Code 283 – Duty-free concessions were introduced for the importation International Meetings, Incentives, Conventions and Exhibitions held in Fiji.
Local manufacturer/producer	Concession Code 231A was created to grant concession on packaging material to approved exporters of local fresh produce.
Medical and pharmaceutical	Concession Code 292 was created for free fiscal and free import excise for companies approved under Income Tax (Medical Investment Incentives) Regulations 2016. Goods eligible for duty concession include medical, hospital, dental and surgical goods; capital goods; and equipment, plant and machinery. Concession Code 294 was introduced for companies or entities engaged in the manufacture of pharmaceutical products as approved under the Income Tax (Manufacture of Pharmaceutical Products Investment Package) Regulations 2019. Goods eligible for duty concession include ethanol, raw materials used to manufacture pharmaceutical products, machinery, equipment, and accessories for free fiscal and free import excise. Concession Code 298 was introduced for companies, entities, and individuals for free fiscal duty, free import excise, and free VAT on the importation of listed medical equipment, accessories, and diagnostic kits.
Investment incentives	Residential Housing Development – Concession Code 293 was introduced for approved companies under the Income Tax (Residential Housing Development Package) Regulations 2016. Goods eligible for duty concessions include capital goods (capital equipment, plant, machinery and any other goods as approved by the Comptroller. This does not include kitchenware, raw materials, furniture, and other prescribed goods). Tax Free Region incentive – Concession Code 290 was introduced for approved companies under the Income Tax (Tax Free Region Incentives) Regulations 2016 to import raw materials, machinery, and equipment (including parts and materials) for the establishment of the business, which attracts free fiscal duty and free import excise. Concession Code 295 was introduced for companies or entities establishing waste recycling plants as approved under the Income Tax (Tax Free Region Incentives) Regulations 2016. Goods eligible for duty concessions are raw materials, plant, machinery and equipment (including parts and materials) for the initial establishment of the business. Applicants are eligible for free fiscal duty and free import excise. Warehouse Construction Incentive – Concession Code 296 was introduced for companies or entities for construction of warehouses as approved under the Income Tax (Warehouse Construction Incentives) Regulations 2019, are eligible for duty concession on raw materials, machinery, and equipment for the initial establishment. Applicants will qualify for free fiscal and free import excise duty. Retirement Village – Concession Code 297 was introduced for companies or entities involved in the establishment of retirement villages and aged care facilities as per the regulations under the Income Tax Act 2015. Goods eligible for duty concession are raw materials, machinery and equipment (including parts and materials) for initial establishment of the facility. Applicants will qualify for free fiscal and free import excise duty. Subdivision of Land - Approved companies under regulations made in relation to a subdivision development package under the Income Tax Act 2015. Goods eligible for duty concession are raw materials, machinery and equipment. Applicants will qualify for free fiscal and free import excise duty. Private sector investment in building - Concession Code 300 is introduced for approved companies under regulations made in relation to a private sector building investment package under the Income Tax Act 2015. Concession Code 306 was introduced for investment in recycling business as per the Income Tax Regulations relating to this incentive. Goods eligible for duty concession include raw materials, machinery and equipment including spare parts. Applicants are eligible for free fiscal and free import excise.
ICT Investment Incentive	Concession Code 302 – Companies or entities in broadcasting and network service qualify for free fiscal and free import excise on approved broadcasting and telecommunications equipment. ICT Infrastructure – Concession Code 303 was introduced for investment in ICT structure for ICT purposes as per the Income Regulations relating to this incentive. Goods eligible for duty concession include raw materials, machinery

Tax and customs incentives	
	<p>and equipment including spare parts. Applicants are eligible for free fiscal and free import excise.</p> <p>Concession Code 304 was introduced for investment in Telecom ICT Park and goods eligible for duty concession are free fiscal and free import excise.</p> <p>Concession Code 305 was introduced for investment in network cabling and infrastructure as per the Income Tax Regulations relating to this incentive.</p>
Other concessions	<p>Termidor chemical (termite control) – Concession Code 301 was introduced for the approved companies or entities to control termites. Applicable duty concessions are free fiscal and free import excise.</p> <p>Fijian Drua – Concession Code 307 was introduced for goods specifically imported for the establishment of the Fijian Drua, related venues(s) high performance bases(s) as per the Income Tax Regulations relating to this incentive.</p>

Source: FRCS, 2023 Fiji Tax and Customs Incentives, Suva; and information provided by the authorities.

Table A3.4 Prohibited imports 2023

Description
All goods having thereon or on the cover any words, marks or designs of a seditious nature, or of a nature in the opinion of the Minister to disturb Fiji's peace and order
Counterfeit coin, imitation or counterfeit bank notes
Dangerous drugs, including raw opium, any seed of the opium poppy or any portion of the plant; Indian Hemp (<i>Cannabis Sativa</i> or <i>Cannabis Indica</i>) and its resin, seed or any portion of the plant; cocoa leaf and any such seed or portion of the plant; prepared opium, opium pipes or other utensils for its smoking or used to prepare it for consumption; lysergide (N.N. Diethyl-lysergamide); mescaline (3,4,5-trimethylosy-phenethylamine); peyotl (any part of the plant of the species <i>laphophora williamsi</i> or <i>laphophora lewinii</i>)
Goods that in the Minister's opinion are dangerous and a menace to the community e.g. daggers, electronic shock sticks, flick knives, gravity knives, knuckle dusters, sword sticks, attaché cases capable of discharging electric shocks of 30,000 volts, and taser for public defenders
Goods that, whether of their own nature or having regard to any literary or other work or matter that is embodied, recorded or reproduced in, or can be reproduced from the goods, are blasphemous, indecent or obscene, unduly emphasize matters of sex, horror, violence or crime, or are likely to encourage depravity. The book <i>Satanic Verses</i> is a prohibited import.
Machines for playing games of chance, being games that require no action by any player other than the actuation or manipulation of the machine
Manufactured fireworks containing potassium chlorate or other chlorates mixed with sulphur or any sulphides, phosphorous, or aluminium powder with or without the addition of other substances
Matches made from yellow or white phosphorous
Thalidomide and its preparations
Chemical warfare gas and devices and apparatus designed to use such gas
All tubers, bulbs, corns, rhizomes, peanuts, and other oil seeds not including any product composed of or made therefrom, intended for human consumption, that have been subject to manufacturing processes other than or in addition to rolling, flaking, pearling or milling
All cereals, pulses (dried leguminous vegetables, shelled, whether or not skinned or split) and legumes and products composed or made from them, including stock feed (excluding polished rice and pulses intended for human consumption and products made from or composed of cereals, pulses, and legumes intended for human consumption, that have been subject to any manufacturing process other than or in addition to rolling, flaking, pearling or milling) from all trading partners except Australia, Canada, Japan, Mexico, New Zealand, Chinese Taipei, the United States, and all Pacific Island territories other than French Pacific Territories and Vanuatu (flour and sharps made in mills and by a process approved by the permanent Secretariat for Primary Industries may be imported from France)
Phenacetin or any drug combination or substance containing Phenacetin
Weights or measures, or weighing or measuring instruments, graduated in imperial or in both imperial and metric units, and used for trade purposes
The drug Novalgin containing the active ingredient dipyrone or any drug combination or substance containing dipyrone

Source: Customs (Prohibited Imports and Exports) Regulations, 1986, Schedule 1; and information provided by the authorities.

Table A3.5 Licensed imports 2023

Description	Conditions, restrictions, or requirements
Fireworks (other than those prohibited)	Import licence from the Principal Inspector of Mines. Goods must be imported through the Port of Suva and be physically examined, and are subject to the issue of a removal licence by the Principal Inspector of Mines
Margarine or any other mixture of edible fats, oils and water, prepared in the form of a solid or semi-solid emulsion, including every substance made in the imitation of butter or ghee (clarified butter) and every other preparation resembling butter or ghee, the fat content of which is not derived from milk	Must comply with the Pure Food Act or all regulations made thereunder
Sweetened/unsweetened condensed milk, dried milk, reconstituted milk, separated or dried separated milk, and milk substitute or any other product containing skim milk and any fat other than butter fat	Must comply with the Pure Food Act or all regulations made thereunder
Methylated spirits	Import licence issued under the Methylated Spirits Act
Radio communication equipment constructed or adapted for emission	Import licence issued by the telecommunications authority
Radioactive substances other than luminous dials of watches, clocks or other instruments	Written permission from the permanent Secretariat of Health, meeting specified conditions
Spirits of brandy, whisky and rum	Importer must prove maturity in wood for at least three years for brandy and whisky, and two years for rum. Production of certificate issued in the exporting country will be sufficient
Whale's teeth (Tabua)	Imported by Ministry of Fijian Affairs or in accordance with an import licence issued by the Ministry
Apparatus or device designed to detect advanced warning of the presence of any lawfully established radar check point	Import licence issued by the Telecommunications Authority
Mechanical cane harvesters classified in HS items 8433.51.00, 8433.52.00, 8433.53.00 and 8433.59.00	Import licence from the Permanent Secretary for Primary Industries
Branches and leaves from all trees originating in Queensland (Australia) and Papua New Guinea	Import certificate from Papua New Guinea or Solomon Islands appropriate agricultural authority stating that they are free of pests and disease and do not belong to the family <i>Meliaceae</i> or the group <i>Coniferae</i>
Apparatus or device to receive radio or TV transmission, other than domestic broadcasts	Import licence from the telecommunications authority
Salt classified in HS 2501.00.00	Import permit from the Permanent Secretariat for Health
Gold items classified in HS 7108.11.00, 12.00, 13.00, 7108.20.00 and 7109.00.00, sweepings, residues, lemelts, and other waste and scraps of gold classified in HS items 7112.20.00 and gold coin classified in HS 7118.90.11, 90.21, 90.90	Import licence from the Minister of Finance
Galvanized or zincalume pre-coated metal coil sheet classified in HS 7210.20.10, 90, 30.10, 90, 41.20, 90, 49.10, 90, 50.10, 90, 61.10, 9069.10, 90	Import licence from the Permanent Secretary for Industry, Trade and Tourism
Cyclonic crew fasteners, washers and seals for roof and wall cladding, classified in HS 7317.00.90, 73.18.15.00, 19.00, 22.00, 29.00	Import licence from the Permanent Secretary for Industry, Trade and Tourism
Animals, animal products, manure, packing material, fittings or fodder	Written permission of Assistant Director of Agriculture (Animal Health and production) or in accordance with regulations under the Animals Importation Act
Arms and ammunition	Import licence issued by Commissioner of Police subject to Arms and Ammunition Act
Copyright in any published literary, dramatic or musical work	Copyright (Customs Regulations) (Page 6839 Vol. X)
Dangerous drugs covered by part IV	In accordance with the Dangerous Drugs Act
Excisable goods	In accordance with a licence issued by the Comptroller of Customs under Excise Act 1986
Currency notes and certificate of title	In accordance with exchange control regulations issued by the Reserve Bank under the Exchange Control Act
Explosives	Import licence under the Explosive Act

Description	Conditions, restrictions, or requirements
Trademark material	Merchandise Marks Act
Plants and plant material, bacteria, viruses, soil, sand, clay, earth, plant pests or other invertebrate animals	In accordance with Plant Quarantine Act
Rags, second-hand clothing and bedding	Must be properly disinfected under official supervision at importer's expense or accompanied by a Health Certificate from exporting country stating that the goods have been properly disinfected prior to export (Quarantine Act)
Pharmaceuticals and poisons	In accordance with the Medicinal Products Act

Source: Customs (Prohibited Imports and Exports) Regulations, 1986, Schedule 2; and information provided by the authorities.

Table A3.6 Selected industries under the scope of the FCCC

Industry	Specifications		
Agriculture	Rates for Mechanical Harvesting Services for Sugarcane		
	Rates for Sugarcane Cartage Lorry Services from Rakiraki to Rarawai		
Airports / Aeronautical Services	Air navigation charges		
	Terminal navigation fee		
	Airfield charges – domestic & international landing fee		
	Incinerator fees		
	International and domestic parking fees		
Cement	Airport development charge and airport security charge		
	Ex-factory bag & bulk cement		
Electricity	Electricity rates		
	Ancillary services		
	Installation licence fee		
	Electrical contractors' licence		
	Wiretapper's licence		
	Re-inspection and test of work on consumer's installation		
	New connection fees/installation of metering system		
	Metering system costs		
	Reconnection of supply to consumer's installation – broken mains		
	Reconnection following disconnection for non-payment of electricity account		
	Disconnection/reconnection of supply at consumers request		
	Minimum electricity charge		
	Meter testing & adjustments of accounts		
	Administration charges		
Gas (LPG)	Domestic cylinder 4.5 kg and 12 kg		
	Autogas		
	Bulk		
Marina	Marina management services on		
	Passenger levies on commercial ships		
	Levies on cargo transportation		
Petroleum	Services to local commercial operators and users in Fiji		
	Unleaded motor spirit		
	Diesel		
Pharmaceutical	Premix		
	Kerosene		
	75 product categories:		
	Allopurinol	100 mg	Tablets
	Amoxicillin	250 mg, 500 mg	Capsules
	Amoxicillin	125 mg/5 ml	Suspension/powder
	Aspirin	300 mg	Tablets
	Atenolol	50 mg	Tablets
	Cough mixture		Syrup
	Benzyl benzoate	25%	Lotion
	Bisacodyl	5 mg	Tablets/suppository
	Bisacodyl	10 mg	Suppository
	Carbamazapine	200 mg	Tablets
	Carbimazole	5 mg	Tablets
	Chloramphenicol	250 mg	Capsules
	Chloramphenicol	125 mg/5 ml	Suspension
	Colchicine	0.5 mg	Tablets
	Co-trimoxazole	240 mg/5 ml	Suspension
	Co-trimoxazole	480 mg	Tablets
	Diazepam	5 mg	Tablets
	Digoxin	250 mcg, 62.5 mcg	Tablets
	Econazole	1%	Cream
	Econazole	150 mg	Pessary
	Enalapril	5 mg	Tablets
	Erythromycin	250 mg	Tablets
	Erythropoietin injection	N/A	Injection
	Erythromycin (estolate base)	125 mg/5 ml	Suspension
	Ferrous sulphate	200 mg	Tablets
	Flucloxacillin	250 mg, 500 mg	Capsules
	Frusemide	40 mg	Tablets
	Glibenclamide	5 mg	Tablets
	Glipizide	5 mg	Tablets
	Glyceril trinitrate	600 mcg	Tablets
	Griseofulvin	125 mg, 500 mg	Tablets
Hydrochlorothiazide	25 mg	Tablets	

Industry	Specifications		
	Hydrocortisone	1%	Cream
	Ibuprofen	400 mg	Tablets
	Insulin neutral	1000 u/10 ml	Injection
	Insulin isophane	1000 u/10 ml	Injection
	Mixed (biphasic 70/30)	1000 u/10 ml	Injection
	Indomethacin	25 mg	Capsules
	Isosorbide dinitrate	10 mg	Tablets
	Mebendazole	100 mg	Tablets
	Metformin	500 mg	Tablets
	Methyldopa	250 mg	Tablets
	Metronidazole	200 mg	Tablets
	Antacid +/- simethicone	N/A	Suspension/tablets
	Neomycin	1%/0.5%	Ointment
	Nifedipine	20 mg	Tablets
	Oral rehydration salt	For 1 L prep	Crystal
	Paracetamol 500 mg / Codeine 8 mg	500 mg/8 mg	Tablets/caplets
	Paracetamol	120 mg/5 ml	Suspension
	Paracetamol	500 mg	Tablets/caplets
	Tylenol	500 mg	Tablets
	Penicillin	250 mg	Tablets
	Penicillin	125 mg/5 ml	Syrup
	Potassium chloride	600 mg	Tablets
	Prednisolone	5 mg	Tablets
	Prochlorperazine	5 mg	Tablets
	Promethazine	1 mg/1 ml	Elixir
	Promethazine	10 mg	Tablets
	Propranolol	10 mg, 40 mg	Tablets
	Ranitidine	300 mg	Tablets
	Salbutamol	2 mg/5 ml	Elixir
	Salbutamol	100 mcg	Inhaler
	Salbutamol	4 mg	Tablets
	Sodium valproate (enteric coated)	200 mg	Tablets
	Tetracycline	250 mg	Capsules
	Warfarin	1 mg, 3 mg, 5 mg	Tablets
	Loperamide	2 mg	Capsule/tablets
Ports	Marine / navigation charges (overseas vessels)		
	Wharfage charges		
	Dockage charges		
	Security charges		
	Local vessels tariff		
	Ancillary charges		
	Stevedoring charges		
	Vehicle discharge/ loading charges		
	Container handling & machine hiring charges		
	Storage/ demurrage charges		
Postal	Domestic letters		
	Sea/surface parcel		
	Air parcel international mail		
	Private mailbox		
Shipping	Domestic Inter-Island Passenger and freight rates		
Pharmacy	Licensing		
Steel	Ex-factory grade 300 & 500 reinforcement steel rods		
Sugar	Ex-Warehouse Wholesale Price (VEP) FJD, FSC Bulk Pack Sugar 25 kg		
	Sugars of Fiji Product - 1 kg, 2 kg, 4 kg		
Telecommunications	Access to capacity and network charges,		
	Interconnection rates: international inbound call minute, ICT levy, special handling levy, mobile termination rate, fixed termination rate		
	Wholesale bandwidth rates		
Transport	Interoperability fees for e-ticketing services		
	Omnibus fares		
	Minibus fares		
	Taxi fares		

Industry	Specifications
Water	Water rates Domestic sewage Liquid trade waste
	<p>The FCCC Act 2010 is inclusive legislation that protects (among others) women, rural dwellers, and other disadvantaged groups. Examples of specific provisions are as follows (but not limited to):</p> <p>Section 39- Minister may impose price control in circumstances of restricted competition;</p> <p>Section 41- Controlled goods or services not to be supplied except in accordance with the authorized price;</p> <p>Section 52- Prohibited Act;</p> <p>Section 45- Rents;</p> <p>Section 52- Prohibited Acts;</p> <p>Section 53- Refusal to sell at maximum price;</p> <p>Section 53 A- Prices of goods and services to reflect the decrease in duty and tax;</p> <p>Section 75- Misleading or deceiving conduct;</p> <p>Section 76- Unconscionable conduct;</p> <p>Section 77- False or misleading representation;</p> <p>Section 78- False or misleading advertisement;</p> <p>Section 79- False or misleading representation and other misleading or offensive conduct in relation to land;</p> <p>Section 81- Misleading conduct in relation to employment;</p> <p>Section 85- Offering gifts or prizes;</p> <p>Section 86- Bait advertising;</p> <p>Section 87- Referral selling;</p> <p>Section 87 A- Pyramid selling scheme;</p> <p>Section 87 E- Refusal to sell goods or services unless other goods or services are also purchased;</p> <p>Section 87 F- Adulteration;</p> <p>Section 87 G- Hoarding;</p> <p>Section 87 J- Statement of price or condition and pull date;</p> <p>Section 88- Accepting payment without being able to supply as ordered;</p> <p>Section 90- Harassment and coercion; and</p> <p>Part 8, Division 1- Warranty.</p>

Source: Information provided by the authorities.

Table A3.7 Goods and services under price control 2023

Description	Specifications
Basic food items	
Rice – imported	Specific quantities of 1 kg, 2 kg, 10 kg Wholesale quantities: 1 kg, 2 kg, 10 kg, 40 kg, 45 kg and 50 kg Premium product is not subject to price control.
Sugar – imported	Regulate the allowable mark-up at wholesale and retail level (percentage level)
Sugar – local	Regulate the allowable mark-up at wholesale and retail level (percentage level)
Salt – imported	500 g, 907 g, 1 kg only
Dried leguminous vegetables shelled, whether or not skinned or split – imported	Only split peas and blue peas are controlled in 500 g, 1 kg, and 2 kg quantity. Wholesale quantity: 10 kg, 25 kg, 45.36 kg, and 50 kg
Potatoes – imported	Wholesale and retail prices are subject to control.
Onions – imported	Wholesale and retail prices are subject to control.
Garlic – imported	Wholesale and retail prices are subject to control.
Baby milk of all types – imported/locally packed	Specific quantity of 350 g, 400 g, 900 g
Canned fish – imported	Tuna: 142 g, 170 g, 185 g Sardines: 106 g, 155 g, 425 g Tin fish: 155 g, 425 g In natural oil, water and tomato sauce only. Brine and other premium types are excluded.
Tea of all types – local/imported (excepting Masala tea)	Specific quantity 100 g, 200 g tea leaves Tea bags are excluded
Powdered milk – imported	Specific quantity of 250 g, 300 g, 450 g and 500 g
Liquid milk blue packet (12 x 1 L)	Regulate the retail prices.
Liquid milk white packet (12 x 1 L)	Regulate the retail prices.
Corned beef and corned mutton (canned) (with or without other ingredients) – imported/local	Specific quantity 200 g, 326 g, and 340 g
Edible oil – imported	Only soya bean and canola oil are now controlled Specific quantity: 250 ml, 500 ml, 750 ml, 1 L, 2 L, 3 L, 4 L and 5 L.
Margarine all types – imported	250 g, 500 g
Butter	Only retail prices are controlled: 125 g, 250 g, 500 g
Bread	Only 3 types and quantity are controlled – long loaf (white), slice white medium and wholemeal
Wheat products	Ex-factory wholesale, wholesale and retail prices are subject to control – 1 kg, 2 kg, 4 kg, 5 kg, 10 kg, 25 kg & 50 kg
Biscuits – breakfast crackers	Wholesale and retail prices are subject to control.
Stationery	Stationery and related commodities (imported) described hereunder: <ul style="list-style-type: none"> • exercise books • chalks • crayons • colour pencils • pencil sharpener • rubbers • erasers • pencils • ring binders • book keeping cash books • journal ledger • ball pens • compass • protectors • rulers • ruled foolscaps • stencils • mathematical sets • set squares • dividers • drawing books • note books • brown paper • vanguard sheets • sellotape • duplicating paper • duplicating ink • correcting fluid • maps • gum • water colours
	Text books used by educational institutions in Fiji (imported)
Agricultural pesticides and fertilizers	Agricultural pesticides of all type imported
	Fertilizers imported falling within chapters 81 of tariff act.
Spare parts	Tyre and tubes (imported)
	Storage batteries (imported) <ul style="list-style-type: none"> • spark plugs • contact points • condensers • seal beams • oil filters • air filters • fuel filters • shock absorbers • blubs • exhaust pipes and silencers • wiper blades • wiper refills • brake and clutch washers • master cylinder kits • brake kits • clutch and slave • carburettor kits • coils • fuse • clutch plates

Description	Specifications		
	<ul style="list-style-type: none"> • wiper motors and linkages • wiper arms 	<ul style="list-style-type: none"> • pressure plates • tie rod ends 	
LPG	Domestic cylinder 4.5 kg and 12 kg		
	Autogas		
	Bulk		
Petroleum products	Unleaded motor spirit		
	Diesel		
	Premix		
	Kerosene		
Inter-island shipping	Passenger and freight rates		
Ports	Marine / navigation charges (overseas vessels)		
	Wharfage charges		
	Dockage charges		
	Security charges		
	Local vessels tariff		
	Ancillary charges		
	Stevedoring charges		
	Vehicle discharge/ loading charges		
	Container handling & machine hiring charges		
	Storage/ demurrage charges		
Electricity	Electricity rates;		
	Ancillary services:		
	Installation licence fee		
	Electrical contractors licence		
	Wiretapper's licence		
	Re-inspection and test of work on consumer's installation		
	New connection fees/installation of metering system		
	Metering system costs		
	Reconnection of supply to consumer's installation – broken mains		
	Reconnection following disconnection for non-payment of electricity account		
	Disconnection/reconnection of supply at consumers request		
	Minimum electricity charge		
	Meter testing & adjustments of accounts		
	Administration charges		
Aeronautical services	Air navigation charges		
	Terminal navigation fee		
	Airfield charges – domestic & international landing fee		
	Incinerator fees		
	International and domestic parking fees		
	Airport development charge and airport security charge		
Marina	Marina management services on:		
	Passenger levies on commercial ships;		
	Levies on cargo transportation;		
	Services to local commercial operators and users in Fiji.		
Cement	Ex-factory bag & bulk cement		
Steel	Ex-factory grade 300 & 500 reinforcement steel rods		
Postal services	Domestic letters		
	Sea/surface parcel		
	Air parcel		
	International mail		
	Private mail box		
Telecommunications	Access to capacity and network charges,		
	Interconnection rates: international inbound call minute, ICT levy, special		
	handling levy, mobile termination rate, fixed termination rate		
	Wholesale bandwidth rates		
	Interoperability fees for e-ticketing services		
Water & sewerage	Water rates		
	Domestic sewage		
	Liquid trade waste		
Pharmaceutical items	75 product categories:		
	Allopurinol	100 mg	Tablets
	Amoxicillin	250 mg, 500 mg	Capsules
	Amoxicillin	125 mg/5 ml	Suspension/powder
	Aspirin	300 mg	Tablets
	Atenolol	50 mg	Tablets
	Cough mixture		Syrup
	Benzyl benzoate	25%	Lotion
	Bisacodyl	5 mg	Tablets/suppository
	Bisacodyl	10 mg	Suppository
	Carbamazepine	200 mg	Tablets
	Carbimazole	5 mg	Tablets
	Chloramphenicol	250 mg	Capsules

Description	Specifications		
	Chloramphenicol	125 mg/5 ml	Suspension
	Colchicine	0.5 mg	Tablets
	Co-trimoxazole	240 mg/5 ml	Suspension
	Co-trimoxazole	480 mg	Tablets
	Diazepam	5 mg	Tablets
	Digoxin	250 mcg, 62.5 mcg	Tablets
	Econazole	1%	Cream
	Econazole	150 mg	Pessary
	Enalapril	5 mg	Tablets
	Erythromycin	250 mg	Tablets
	Erythropoietin injection	N/A	Injection
	Erythromycin (estolate base)	125 mg/5 ml	Suspension
	Ferrous sulphate	200 mg	Tablets
	Flucloxacillin	250 mg, 500 mg	Capsules
	Frusemide	40 mg	Tablets
	Glibenclamide	5 mg	Tablets
	Glipizide	5 mg	Tablets
	Glyceryl trinitrate	600 mcg	Tablets
	Griseofulvin	125 mg, 500 mg	Tablets
	Hydrochlorothiazide	25 mg	Tablets
	Hydrocortisone	1%	Cream
	Ibuprofen	400 mg	Tablets
	Insulin neutral	1000 u/10 ml	Injection
	Insulin isophane	1000 u/10 ml	Injection
	Mixed (biphasic 70/30)	1000 u/10 ml	Injection
	Indomethacin	25 mg	Capsules
	Isosorbide dinitrate	10 mg	Tablets
	Mebendazole	100 mg	Tablets
	Metformin	500 mg	Tablets
	Methyldopa	250 mg	Tablets
	Metronidazole	200 mg	Tablets
	Antacid +/- simethicone	n.a	Suspension/tablets
	Neomycin	1%/0.5%	Ointment
	Nifedipine	20 mg	Tablets
	Oral rehydration salt	For 1 L prep	Crystal
	Paracetamol 500 mg / Codeine 8 mg	500 mg/8 mg	Tablets/caplets
	Paracetamol	120 mg/5 ml	Suspension
	Paracetamol	500 mg	Tablets/caplets
	Tylenol	500 mg	Tablets
	Penicillin	250 mg	Tablets
	Penicillin	125 mg/5 ml	Syrup
	Potassium chloride	600 mg	Tablets
	Prednisolone	5 mg	Tablets
	Prochlorperazine	5 mg	Tablets
	Promethazine	1 mg/1 ml	Elixir
	Promethazine	10 mg	Tablets
	Propranolol	10 mg, 40 mg	Tablets
	Ranitidine	300 mg	Tablets
	Salbutamol	2 mg/5 ml	Elixir
	Salbutamol	100 mcg	Inhaler
	Salbutamol	4 mg	Tablets
	Sodium valproate (enteric coated)	200 mg	Tablets
	Tetracycline	250 mg	Capsules
	Warfarin	1 mg, 3 mg, 5 mg	Tablets
	Loperamide	2 mg	Capsule/tablets
Hardware products	Cladding & boards		
		Masonite board 2450 X 1225 X 4.5 mm/ 3 mm/ 4 mm	
		S/Flex cement board 2400 X 1200 X 4.5 mm/ 6 mm	
		Concrete blocks	
		Bond beam 400 mm x 200 mm x (100/150/200) mm	
		Standard whole 400 mm x 200 mm x (100/150/200) mm	
		Cement stik 4 Ltr/ 750 ml	
		Electrical products	
		2' w/proof tube light frame	
		Tube light fitting 2 FT and 4 FT	
	Zelmit boards 14"x12"		

Description	Specifications
	Meter box galv 14x12 single/galv 18x20 double
	Neutral link 5 hole
	Gang switch w/light 10 A and 15 A
	One/two/three gang switch 10 A, 15 A and 20 A
	GPO with light switch
	Junction box
	Main entry box 2 terminal
	35 amps single pole main switch
	Main switch 40 amps S/P LEGEND
	10 amps and 16 amps ELCB with base
	Earth rod 4'6"X16 mm RMS casco/ earth Clip 16 mm
	Fuse wire HPM card R1202
	35 amps HPM main switch S/P
	65 a single pole main switch
	Batten holder
	Plain to screwed adaptor 25 mm with lock
	Plain coupling 20 mm and 25 mm
	Conduit bends 20 mm, 25 mm, 32 mm, 40 mm and 50 mm
	M/C breaker 10 amps and 16 amps
	DC141 2.5 mm/6 mm PVC single black coil
	1 mm TPS light wire/switch wire coil
	2.5 mm TPS festoon wire coil
	2.5 mm twin + earth - STD
	0.75 mm 3 core grey flex coil
	6 mm twin H/D main wire coil
	PVC conduit pipe grey/orange (16 mm, 20 mm, 25 mm and 32 mm) (MD/HD)
	Cable pin clip no.1, no. 2 and no. 3 (100's)
	Fasteners
	Barrel bolt brass (50 mm/ 75 mm) w/screws
	L/duty z/c plated butt hinges (4")/ tee hinges (150 mm/100 mm)
	Tylok plate 4T10 72X115 L/Lok/ 8T15 110X235L/LOK
	Strapping 10 Mtr x 1.2 mm L/Lok
	Thru bolt M6.5 X 35/ M6 X 58/ M10 X (48/75/98)mm/ Thru bolt M12 X (58/75/98/129) mm
	Wire nails 40 mm / 75 mm/ 100 mm/ 150 mm J/H or F/H
	Galvanized nails 25 mm/ 40 mm/ 50 mm/ 75 mm/ 100 mm/ 150 mm J/H
	Galv clout nail 20 mm/ 25 mm x 2.8
	Panel pin J/H or F/H 20 mm/ 25 mm
	Concrete nail 25 mm/ 40 mm/ 75 mm/ 100 mm
	Twisted/ plain shank roofing nails
	Roof screw 14x65 type 17 unassembled/ (R/D)
	Night latch/ mortise lock
	Black/ galv binding wire 20 G/ 16 G
	Silock PVC glue 100 grms
	Louvre Frames
	Louvre frame 3 blade s/c / 8 blade d/c
	3/ 8 blade alumn./frame w/screws
	Louvre blade (24/30/36)mm x 6 x 5 mm clear
	Paint
	Paint brush maroon handle 25 mm/ 75 mm/ 100 mm
	Paint roller sleeve 9" GP
	Roller handle 9" L/Duty
	Paint tray 230 mm (light type)
	Paint roller kit 9" standard
	APCO no frill high/semi-gloss white 10 Ltr/ 4 Ltr
	No frill HG 4 L assorted colours
	Taubmans prokote high/semi-gloss white 4 Ltr/ 10 Ltr
	Prokote HG 4 L assorted colours
	Thrift high/ semi-gloss white - 4 LT/ 10 LT
	Thrift flat plastic (block sealer) - 4 LT/ 10 LT
	Thrift high gloss 4 LT assorted colours
	Thrift pink primer/ white undercoat- 4 LT
	Thrift anti-rust (chassis) black/ grey/ red - 1 LT/ 4 LT
	Colourshop HG 4LT assorted colours
	Plumbing
	PVC pressure pipe 15 mm/ 20 mm/ 25 mm/ 40 mm/ 50 mm
	PVC vent cowl 50 mm/ 100 mm waste
	PVC gully trap 100 mm wst
	PVC boss on trap 100x50 mm wst
	PVC p-trap 40 mm waste
	PVC s- & p-trap 40x32/ 50 mm/ 40 mm waste
	PVC waste pipe 32 mm/ 40 mm/ 50 mm/ 100 mm/ 150 mm
	PVC gutter 2.9 mtr

Description	Specifications
	PVC gutter bracket/ joiner, PVC gutter stop end lh / rh
	PVC plain rain head
	PVC gutter external angle/ internal angle
	PVC downpipe junction/ clip/ socket/ bend 95 deg/ 112 deg
	PVC down pipe 80 mm white
	Brass bib/ stop/ hose cock 15 mm
	Brass bib tap/ hose tap 15 mm
	Brass gate valve 15 mm
	Caroma toilet seat black/white
	Caroma toilet pan white p-trap
	Zagros s/s s/bowl 4' sink + grati/ d/bowl 6' sink + grati
	Toilet cistern
	Plywood
	Interior plywood 2100 x 900 x 3 mm/4 mm
	Interior plywood 2400 x 1200 x 3 mm/ 4 mm/ 6 mm/ 9 mm/ 12 mm
	Exterior plywood 2100 x 900 x 3 mm/ 4 mm
	Exterior plywood 2400 x 1200 x 3 mm/ 4 mm/ 6 mm/ 9 mm/ 12 mm
	Roofing
	Ridge cap galvanized/ Zinalume 26 G x 6ft
	Flashing galvanized/ Zinalume 6'x 26G
	Roofing iron galvanized/ Zinalume (26 gauge) per feet
	Single sided escalation 1.250x60m
	Double sided FR aluminium foil insulation
	Timber
	H3 dressed/ rough pine timber of assorted sizes
	Treated pine post of assorted sizes (max 4 m x 125 mm)
	Rough boxing timber of assorted sizes (max 300 mm x 50 mm)
	Treated pine decking/ flooring 100 mm/ 75 mm x 25 mm
	Treated pine weather board 150 mmx 25 mm
	Treated pine lining 100 mm/ 150 mm x 25 mm
	Pine shiplap 100 mm x 25 mm
	Skirting 75 mm x 25 mm
	1/4 and 1/2 round
	Tools
	Firmer chisel 12 mm plastic handle
	Brick laying trowel type 200 mm
	Plastering trowel flat 250 x 100 mm
	Tape measure 3 m
	Tubular handle hacksaw frame 300 mm/ hacksaw blade
	Claw hammer wooden handle 27 mm
	Aluminium (yellow) level 24"
	Trowel plasterer w/h 280 x 115 mm
	Hacksaw tubular 300 mm aluminium frame
	Handsaw cushion grip tri cut 22"x 10p
	300 mm comb square
	Hand saw 650 mm
Electricity (licensing)	
Electricity pricing	
Transport sector	
Transportation pricing: omnibus fare, taxi fare, minibus fare	
Cost index model is utilized to determine the fares for above three transport sectors. The weightings of each cost component of the particular sector are determined and then inflated using the change in these from year to year. The omnibus fares are determined per stages, minibus fares per routes, and taxi fares have three different fare components that are flag fall, running, and waiting charges. The review process involves calling out for submissions, conducting stakeholder consultations, collating submissions, and analysing financial information gathered through submissions that are input into the cost index models.	
Agriculture	
Mechanical Harvester	
Sugar Cane Cartage Lorry Services from Rakiraki to Rarawai Mill	
Cost index model is also utilized to determine the rates for above two agriculture sectors. The weightings of each cost component of the particular sector are determined and then inflated using the change in these from year to year. The mechanical harvester rates are determined per tonne, and the sugarcane cartage rates are determined per different zones or geographical boundaries. The review process again involves calling out for submissions, conducting stakeholder consultations, collating submissions, and analysing financial information gathered through submissions that are input into the cost index models.	

Description	Specifications
Telecommunications	
Prices for Broadband Capacity Services Carried over Backhaul Fibre Network between nominated network nodes operated by Telecom Fiji Ltd (TFL) within Fiji	
Prices for National Interconnection and Access to International Submarine Cables using Fijian Cable Landing Stations	
Prices and Access to Savusavu-Suva Submarine Cable Infrastructure	

n.a. Non applicable.

Source: Information provided by the authorities.

Table A4.1 Air services agreements

	Date	5 th	7 th	Cabotage	Coop	Designation	Withholding	Pricing	Capacity	Exchange of statistics	ALI ST
Australia	[01/10/1999] 05/2017	..	..	..	..	..	..	..	..	..	..
Canada	30/04/1974	Y	N	N	N	M	SOEC	DA	PD	Y	10.0
Chile	09/07/1973	Y	N	N	N	S	SOEC	DA	PD	Y	6.0
China	10/12/1997	N	N	N	N	S	SOEC	DA	PD	Y	0.0
France	03/06/1981	Y	N	N	N	S	SOEC	DA	PD	Y	6.0
India	[28/01/1974] 09/03/2017	..	..	..	..	..	..	..	..	..	..
Japan	18/11/1993	Y	N	N	N	M	SOEC	DA	PD	Y	10.0
Malaysia	26/11/1990	N	N	N	N	S	SOEC	DA	PD	Y	0.0
Marshall Islands	19/12/1990	Y	N	N	N	S	SOEC	DA	PD	Y	6.0
New Zealand	03/05/1998	Y	N	N	N	M	SOEC	DA	B1	Y	14.0
Papua New Guinea	25/03/1996	N	N	N	N	S	SOEC	DA	PD	Y	0.0
Samoa	07/02/1991	N	N	N	N	S	SOEC	DA	PD	Y	0.0
Solomon Islands	23/05/1991	N	N	N	N	S	SOEC	DA	PD	Y	0.0
Tonga	17/11/1971	Y	N	N	N	S	SOEC	DA	PD	Y	6.0
Türkiye	05/10/2009	..	..	..	..	..	..	..	..	..	..
Tuvalu	15/12/1989	Y	N	N	N	S	SOEC	DA	B1	Y	10.0
United Kingdom	04/12/1998	N	N	N	N	M	SOEC	DD	B1	Y	14.0
United States	25/10/1985	Y	N	N	N	M	SOEC	CoO	FD	N	22.0
Vanuatu	24/03/1993	Y	N	N	N	M	SOEC	DA	PD	Y	10.0

.. Not available.

Note: 5th: Fifth freedom rights, even limited ones, are granted. If fifth freedom rights are subject to approval by the aeronautical authorities, they are coded as NOT granted.

7th: Seventh freedom rights, even limited ones, are granted. If seventh freedom rights are subject to approval by the aeronautical authorities, they are coded as NOT granted.

Cabotage: Cabotage rights, even limited ones are granted. If cabotage rights are subject to approval by the aeronautical authorities, they are coded as NOT granted.

Cooperation: Clauses allowing cooperation between airlines, e.g. code-sharing.

Designation: Designation is coded as single by an "S" or multiple by an "M".

Withholding: Type of withholding clause: Substantial Ownership and Effective Control (SOEC), Principal Place of Business (PPoB), Community of Interest (COI).

Pricing: Double Approval (DA), Double Disapproval (DD), Country of Origin (CoO), Zone Pricing (ZP), and Free Pricing (FP).

Capacity: Type of capacity clause: Pre-Determination (PD), Bermuda I (B1), Free Determination (FD), and other (O).

Statistics: Exchange of statistics is foreseen by the agreement.

ALI ST: Air Liberalization Index Standard.

Dates in brackets indicate old dates of revised ASAs.

Source: Compiled by the WTO Secretariat, based on information provided by the authorities.