

# ANNUAL REPORT

2016-2017



MINISTRY OF  
INDUSTRY, TRADE  
AND TOURISM





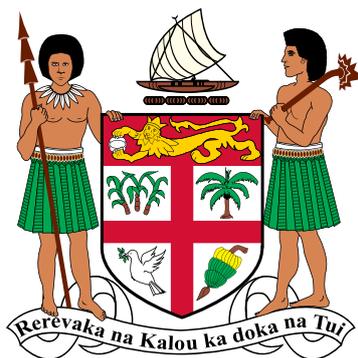


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# Letter to the Honourable Prime Minister



12 May 2019

Rear Admiral (Retired) Honourable Josaia Voreqe Bainimarama  
Honourable Prime Minister, and  
Minister for i-Taukei Affairs and Sugar Industry  
4th Floor, New Wing, Government Buildings  
Suva

Dear Honourable Prime Minister

## **Annual Report 1 January 2016 – 31 July 2017**

I have the honour to submit on behalf of the Ministry of Industry, Trade and Tourism, the combined performance report of the Ministry for Industry, Trade and Tourism for the period 1 January 2016 to 31 July 2017.

Yours sincerely

A handwritten signature in black ink, appearing to be "Premila Kumar", written in a cursive style.

Honourable Premila Kumar  
Minister for Industry, Trade and Tourism

## Statement by the Permanent Secretary



I am delighted to present the 2016 and 2016-2017 consolidated Annual Report of the Ministry of Industry, Trade and Tourism. The Report documents our strategic objectives and achievements for the year, which also witnessed the devastation caused by Tropical Cyclone (TC) Winston. In the immediate aftermath of TC Winston, the Fijian Government and the Ministry were committed to ensuring that the Fijian economy remained robust. I would also like to take this opportunity to commend the resilience of our industries and stakeholders.

The success of 2016 and 2016-2017 Financial Years (FYs) emanate from achievements of the Ministry in the preceding year, such as the launch of the Fijian Trade Policy Framework (FTPF). In the 2016 and 2016-2017 FYs, the Ministry, guided by the FTFP 2015-2025, continued key trade negotiations, investment promotion and policies changes to enhance the business environment in Fiji and our position internationally.

At the core of our charge is the growth and welfare of businesses. Micro, Small and Medium Enterprises (MSMEs) provides sustainable, future-oriented business models that will create a robust and resilient economy from within. As you will read in the Report, the Ministry continued to strengthen MSMEs, Co-operatives businesses, medium-sized exporters, and Fijian Made goods and services. In the beginning of the 2016-2017 FY, the Ministry also welcomed the Integrated Human Resources Development Programme (IHRDP) as a part of the Ministry. We are excited to strengthen our efforts for community-based projects for MSMEs with the inclusion of IHRDP.

In 2016, visitor arrivals to Fiji grew by 5 percent, despite the impact of TC Winston. With the initiation of the Fijian Tourism 2021 (FT 2021), we have now set a clear path for the sustainable advancement of the tourism industry. Work carried out by the Ministry during this reporting period included extensive consultation and an internal review to refocus the FT 2021 towards developing the industry based on value and not purely volume.

Furthermore, to safeguard consumers and enhance favourable conditions for trade, the Ministry continued its commitment towards ensuring compliance with standards and international best practices in the field of standards and metrology.

As we come to the end of another FY, I would like to thank the collaborative efforts of the Ministry and its stakeholders, guided by the Hon. Minister for Industry, Trade and Tourism. Our achievements have been driven by unity and we look forward to strengthening our partnership in the year ahead to continue meeting and excelling our goals and objectives.

Vinaka vakalevu.

A handwritten signature in black ink, appearing to read 'Shaheen Ali', with a horizontal line underneath.

Shaheen Ali  
Permanent Secretary for Industry, Trade and Tourism

# Overview

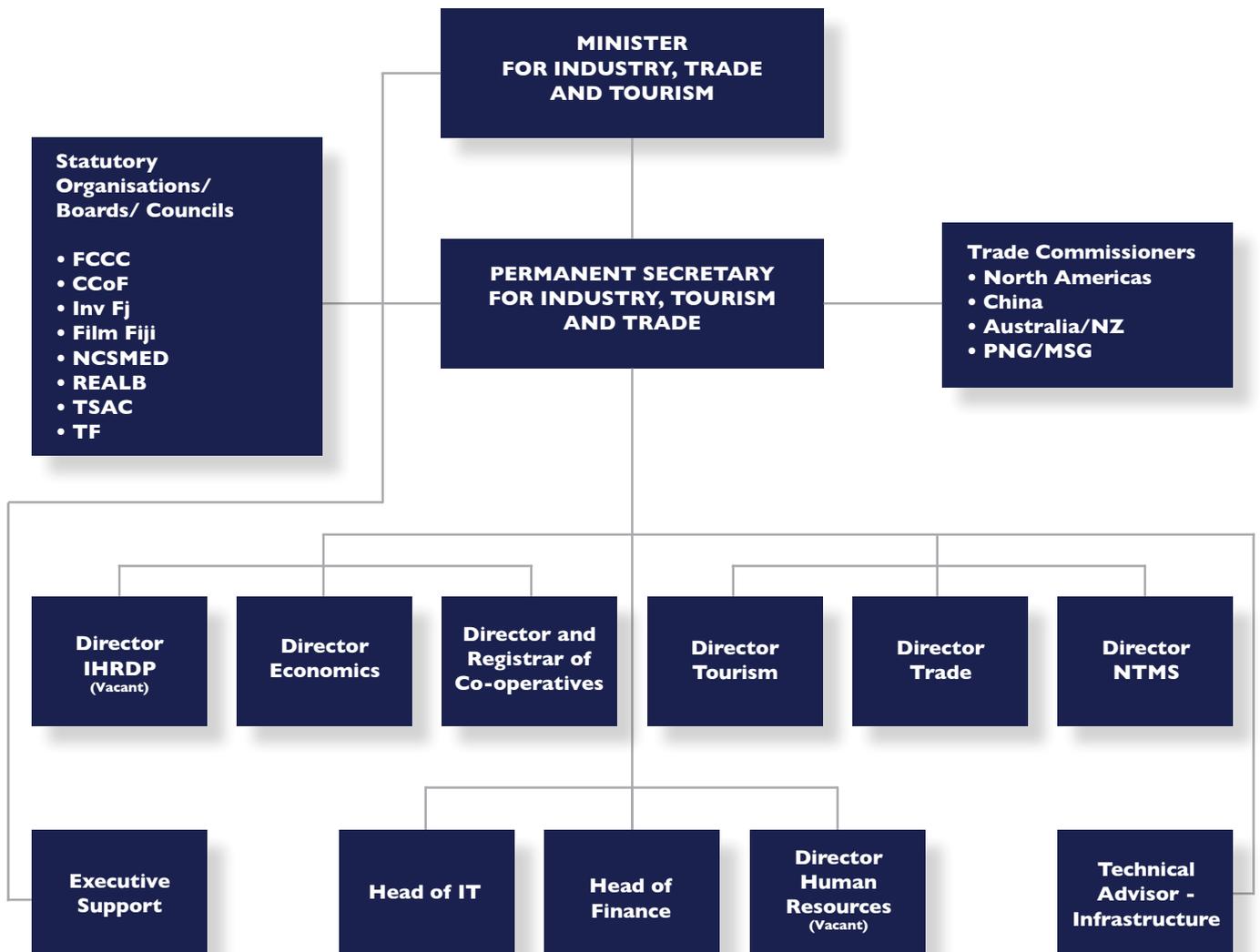
“Creating Sustainable Growth of Commerce and Industry through Innovative and sound Policies that lead to Improved Livelihoods for all Fijians”



“Brighter Economic Future for All”

- Good Governance
- Respect and value for people
- Excellence in Service – innovation in delivery
- Affirmative – being positive
- Trustworthy
- Equality for all and equal participation
- Socially Responsible
- Team Fiji – collaboration with our stakeholders

# Organisational Structure



# 2016 Report



MINISTRY OF  
INDUSTRY, TRADE  
AND TOURISM



1 January – 31 July 2016

# 1. Reports by Departments

The Ministry of Industry, Trade and Tourism formulates and implements policies and strategies to facilitate growth in industry, investment, trade, tourism, co-operative businesses, micro and small enterprises, and enhance metrology, standards and consumer protection.

These roles and responsibilities are undertaken by the Economic Unit, Trade Unit, Tourism Unit, Department of National Trade Measurement and Standards, Department of Co-operative Business and the Corporate Services Division within the Ministry. The responsibilities of the Ministry are also undertaken by the Trade Commissions in Australia, China, Taiwan, Papua New Guinea and North Americas.

The Ministry is supported by seven statutory organisations, namely Consumer Council of Fiji, Fijian Competition and Consumer Commission, Investment Fiji, Film Fiji, Tourism Fiji, Real Estate Agents Licensing Board and National Centre for Small and Micro Enterprise Development.

## 2. Economic Unit

The Unit is responsible for formulating, implementing, monitoring and reviewing policy initiatives and projects, to enhance private sector development in commerce, industry, micro, small and medium enterprises (MSME), investment, services, competition and consumer protection. The Unit oversees four statutory organisations, namely, the Fijian Competition and Consumer Commission, Consumer Council of Fiji, Real Estate Agents Licensing Board and the National Centre for Small and Micro Enterprise Development. The Economic Unit is also responsible for providing policy advice and administrative support to its stakeholders, both within Government and externally.

The major projects undertaken by Economic Unit in the 2016 financial year were as follows:

### **Fijian Made – Buy Fijian Campaign**

The Fijian Made – Buy Fijian (FMBF) Campaign continued its successful implementation in 2016. The Ministry organised promotional events and actively participated in events organised by stakeholders to promote the Campaign in the domestic, regional and the international markets. Outreach programmes included, the 2016 Kula Film Awards and product exhibitions, such as, the 2016 National Women's Expo, 2016 Fijian Tourism Expo and Careers Expos at local Universities.

In term of Industry Emblem registration, a total of 324 companies and 1,175 products were granted approval to use the Fijian Made, Fijian Sewn, Fijian Packed, Fijian Product, Fijian Grown and Fijian Crafted brands. Out of the 324 licenses, 199 companies' licenses were renewals and 125 were new applications.

### **National Export Strategy**

The National Export Strategy (NES) is a Government grant facility that aims to assist existing and new exporters in achieving competitiveness, value addition, export diversification and growth in targeted markets overseas. Government provides this assistance in sectors that have growth potential, such as forestry, fisheries, agro-business and mineral water.

NES support will continue to provide assistance to our exporters to overcome barriers to trade, diversify products and secure new markets. This will help to increase our exports and improve foreign exchange earnings for the economy. In 2016, a total of 11 companies were assisted with a total grant value of \$1,075,118.

### **Micro and Small Business Grant**

The Micro and Small Business Grant (MSBG) provides \$1,000 grants for micro and small entrepreneurs who wish to start or expand their businesses. The MSBG initiative is jointly administered by the Ministry and the Fiji Development Bank (FDB), as part of the Fijian Government's overall commitment to reducing poverty, through capital injection for micro and small businesses and for business and entrepreneurial skills development. To minimise the potential risk of recipients utilising the grant for purposes other than what it was intended for, the grants were made directly to suppliers.

The 2016 allocation continued to assist the 2015 approved applicants, since the Ministry did not call for new applications at the beginning of 2016.

### **Textile, Clothing and Footwear (TCF) Council**

The Ministry administers the disbursement of an annual marketing grant for the promotion of export market opportunities of the Fijian garment industry in the Australian, New Zealand, United States and emerging new niche markets. Grant funding was released to TCF Council to assist in the implementation of its marketing strategy.

## **Audio Visual Agents Licensing**

The Ministry commenced implementing the licensing of audio visual Agents in 2012. The licensing of Agents ensures that the right people are engaged by foreign production companies to ensure that professional and timely delivery of services, in accordance to international standards, are offered to all production companies. This works together with the 47% tax rebate that has drawn a number of foreign productions to Fiji and is contributing towards economic development in Fiji.

The audio visual Agents License is awarded to companies and individuals that possess and demonstrate experience in film productions. The Agents provide a wide range of services, such as financial and accounting services, legal advisory services, line producers, location scouting and equipment hire.

## **Scrap Metal Trade**

The Scrap Metal Trade Act 2011 regulates the scrap metal trade in Fiji, by putting in place a licensing regime for the traders of scrap metal. This includes the granting of Special Approval for sale of Non-Ferrous Scrap by the Licensing Authority.

The suspension on the trade of non-ferrous scrap metal continued in the year 2016. Special approvals were granted on a case by case basis to Government Departments as well as public and private companies. In 2016, the Licensing Authority issued license renewals to 6 scrap metal dealers and issued 30 Special Approvals to private companies, public companies and Government Departments.

## **3. Trade Unit**

The Trade Unit's role is to formulate and implement policies and initiatives to enhance domestic and international trade and undertake trade and investment promotion. In addition, the Unit advances negotiations to create favourable global market access opportunities for Fijian products and services in overseas markets. The Unit is concurrently tasked with increasing Fiji's regional and global economic integration to enhance Fiji's economic growth. The Unit administers the performance of the Trade Commissions based in Australia, China, Taiwan, Papua New Guinea and North Americas, as well as two statutory organisations, Investment Fiji and Film Fiji.

## **Melanesian Free Trade Agreement**

The Melanesian Spearhead Group (MSG) is a grouping made up of Fiji, Papua New Guinea, Solomon Islands, Vanuatu and FLNKS, a political party from New Caledonia. The MSG Trade Agreement, or commonly known as MSGTA2, is the region's most operative agreement and has enhanced economic integration between MSG countries. In 2014, the MSG Leaders endorsed the revision of the MSGTA2 to allow for the modernisation and deepening of the Agreement to include trade in services, investment and temporary movement of natural persons.

## **PACER Plus Negotiations**

PACER Plus is a trade agreement being negotiated between Australia, New Zealand and 14 Pacific Island Countries. The genesis of PACER Plus was the initial PACER Framework. The basis of the negotiation was that the Agreement would be development oriented, so as to enable the Pacific parties to strengthen their economic base and integrate into the global trade arena. In 2014, Fiji joined the PACER Plus negotiations as a full negotiating party. In 2015, the chapters on Investment and Development Cooperation were concluded, whilst negotiations continued on the chapter of Trade in Goods.

In February 2016, another negotiation round was held in Brisbane, Australia. Fiji has been committed to the successful conclusion of the Agreement that is mutually beneficial to all parties, while not constraining our policy space that is targeted towards socio-economic development.

## **WTO Trade Policy Review**

Fiji's third Trade Policy Review was held in February 2016 at the World Trade Organisation (WTO) in Geneva. The WTO undertakes review of the trade policies of its member countries to ensure transparency in the regulations and policies relating to trade. Fiji has these reviews scheduled every 6 years.

The Fijian delegation to the review was led by the Fijian Permanent Representative based in Geneva, as the Hon. Minister and Permanent Secretary were not able to travel due to Tropical Cyclone Winston, which caused widespread devastation in many parts of Fiji. The delegation successfully resolved all the questions raised on Fiji's trade policy during this meeting.

## **WTO Trade Facilitation Agreement Needs Assessment**

Fiji, with the assistance from World Bank Group, convened a national workshop in May 2015, where all stakeholders worked on Fiji's needs and requirements in order to effectively implement the WTO Trade Facilitation Agreement.

This process enabled the development of a Needs Assessment Report that was discussed by the Trade Development Committee in April 2016, and submitted for Cabinet Endorsement in May 2016.

The Report identifies that technical and financial needs of different border agencies to be completely compliant with the Trade Facilitation Agreement.

## **Skilled Professionals Evaluation Committee**

The Registration of Skilled Professionals Act commenced on 21 March 2016. The Act provides for the establishment of a Committee to evaluate the need for professionals in Fiji and to provide for special registration of the professionals for the related matters. The first Committee meeting was held on 19 May 2016, where the first application was approved.

## **4. Tourism Unit**

The Unit undertakes research and data collection to formulate and implement policy initiatives, plans and strategies to develop the Fijian tourism industry in a sustainable manner, while ensuring greater retention of the tourism income. The Unit also oversees the performance of Tourism Fiji, the statutory organisation responsible for marketing and promoting Fiji as a tourist destination.

### **Fiji Tourism 2021**

Following initiation in 2015, the Ministry continued work on the formulation of Fiji's national tourism plan, the Fijian Tourism 2021 (FT 2021). FT 2021 will ensure that all stakeholders have access to the information that will effectively guide the sustainable development of our tourism industry and to achieve the \$2.2 billion industry target set for 2021. FT 2021 will articulate strategies to improve the quality and accessibility to tourism offerings.

### **International Visitor Survey**

In 2016, the Ministry undertook an overall review of the International Visitor Survey (IVS). The review was to ensure the survey remains relevant and aligned to the needs of the tourism industry, and that information captured allowed the Ministry to develop appropriate and timely policies for the tourism industry.

Recommendations from the IVS review were implemented thereafter. This included the modernisation of the IVS through the introduction of online surveys for both Air and Cruise and the redesigning of the IVS Air and Cruise questionnaires. The reviewed IVS Air questionnaire was implemented in 2016, while the reviewed IVS Cruise questionnaire is expected to be implemented in 2017.

## **FIJIAN HOSTS**

The FIJIAN HOSTS programme continued to train key personnel to improve customer service delivery as well as acknowledge the importance of eight front-line agencies at the Nadi International Airport. These agencies include Biosecurity Authority of Fiji, Airports Fiji Limited, Air Terminal Services, Department of Immigration, Fiji Revenue and Customs Service, Border Police, Airport Security, and the Ministry of Health and Medical Services.

From January to July 2016, two training sessions were conducted involving 42 participants and bringing the total number of accredited FIJIAN HOSTS to 492. Additionally, a FIJIAN HOSTS Awards ceremony was held in the reporting period, which recognised these outstanding performers.



*FIJIAN HOSTS winners with the Minister for Industry, Trade and Tourism Hon. Faiyaz Siddiq Koya*

## **Fijian Tourism Expo 2016**

The Fijian Tourism Expo (FTE) is Fiji's premier tourism event and in 2016 the event was held from 3-6 May, at the Denarau Island Convention Centre on Denarau Island. The theme for the 2016 FTE was "Team Fiji", and was focused on unity and partnership within the industry to ensure a stronger presence in the international arena.

The Ministry once again, sponsored the Fijian Crafted Village, and had 14 local artisans displaying authentic arts and crafts. The purpose of the Village was to create business opportunities and market linkages between local artisans and the 111 tourism industry exhibitors and 167 international buyers and media who attended. This initiative was an overall success as the artisans earned more than \$3,000 in direct sales and over \$15,000 in orders from established retail companies, including an art gallery from Mexico.

The Ministry also collaborated successfully with Investment Fiji and Film Fiji, as exhibitors during the FTE and promoted Fiji as an attractive investment and film destination to our international partners whilst creating awareness of the Ministry's initiatives to the local tourism industry.

## **South Asian Travel and Tourism Exchange (SATTE) and Tourism Fiji Roadshow, India**

To support Tourism Fiji's efforts in establishing Fiji's presence in the Indian market, the Hon. Faiyaz Koya, Minister for Industry, Trade and Tourism led the Fijian delegation to the South Asian Travel and Tourism Exchange (SATTE) and the Tourism Fiji Roadshow. The SATTE is the premier travel and tourism event in India and was held from 29-31 January at Pragati Maidan in New Dehli.

The Hon. Minister also officiated at the Tourism Fiji Roadshow, which took place from 5 - 13 February in the six (6) major cities of Chennai, Bangalore, Mumbai, Ahmedabad, New Delhi and Kolkata. The purpose of the roadshow was to create awareness on Fiji as a destination for Indian tourists and allow business meetings between Fiji's tourism industry and key travel trade partners from India.

The Roadshow was an immense success for Fiji with over 565 stakeholders from India attending and a record number of Fijian tourism industry players participating, such as, Fiji Airways, Rosie Holidays, Tour Managers, Namale Resort & Spa, the Pearl South Pacific Resort, Pacific Destinations, Sofitel Fiji Resort & Spa and Mana Island Resort.

## **5. Department of National Trade Measurement and Standards**

The Department is responsible for the implementation of laws and regulations that protect consumers from unsafe and poor quality products and creates favourable conditions for exchange of goods. The Department develops national and adopts international standards in order to raise levels of quality, safety, reliability, efficiency and interchangeability of products and services. The Department maintains the national system of units and standards of measurement to ensure fair and just use of units of measurement and measuring instruments. The Department also regulates the trade of scrap metal to prevent the illegal trade of public infrastructure metal.

### **Standards Unit**

The Fiji Building Standards Committee (FSBC) was reactivated to address concerns raised in the aftermath of Tropical Cyclone Winston. The FSBC met on 17 March 2016, where 4 Working Groups were formed. These groups were for (1) Enforcement Agencies, (2) Awareness, (3) Registration and Licensing of Builders and Professionals and (4) Material Testing and Compliance.

The FSBC proposed the review of the Fiji National Building Code and to adopt and upgrade a number of building and building material standards over the coming year. In addition, the Ministry circulated 3,200 copies of the Home Building Manual to hardware stores. During the reporting period, 2 standards were developed, 3 reviewed and 9 standards that were considered for adoption.

The Department undertook inspections and market surveys to ensure compliance with the Trade Standards and Quality Control Act 1992. A total of 79 businesses were inspected in the Northern and Central Divisions.



*DNTMS unit conducting inspection at a local shop*

All 7 bottled water companies complied with the Trade Standards (Bottled Water Standard) Order 2004. The Ministry also undertook a review of the Standard to ensure it is providing minimum requirements for key parameters.

## **Trade Measurement Unit**

Trade Measurement Unit undertakes verification and certification as part of the enforcement of the National and Trade Measurement Act (NTMA) 1989. The Unit also collects revenue from verification and certification of instruments, licensing traders to verify equipment and from issuance of import license for roofing coil and screws. A total of \$319,682.83 was collected in revenue from January to July 2016.

A total of 2,641 instruments were verified of which 2,637 were stamped or certified and only 4 instruments were rejected.

In addition, inspection was also conducted on bread and pre-packed goods from 23 February to 5 March 2016. These inspections were conducted to ensure that the goods complied with the NTMA 1989. Following Tropical Cyclone Winston there were damaged goods being retailed by traders. The inspectors visited 18 traders of which only 1 was non-compliant with NTMS 1989.

The National Measurement Laboratory issued 15 principal licenses, 29 repairers licenses, 4 public weighman licenses, 128 import licences whilst 7 pattern approvals were given to traders to bring new model equipment.

## **6. Department of Co-operative Business**

The Department is responsible for formulating and implementing policies and strategies to facilitate the promotion, establishment and monitoring of co-operative businesses in Fiji. The training and up-skilling of co-operative society members and officials is also a key role of the Department.

This year, the Department's ultimate undertakings were focussed on rebuilding co-operatives that were damaged during Tropical Cyclone Winston.

There are currently 450 operating co-operatives. In this financial period, only 4 new co-operatives were registered. There was greater emphasis on rehabilitating co-operatives and improving their activities.



*Co-operative Training – Participants with their certificates*



*Beekeeping Training conducted by Co-operative College of Fiji*

## **Co-operative Awareness**

The Department undertook 77 awareness information sessions. These provide participants with key information about co-operatives in Fiji, membership rights and responsibilities and the registration process to establish a co-operative. It is after these sessions that the communities are left to decide on the business they wish to take up and whether to continue the registration of their co-operative.

## **Co-operative College**

The Co-operative College of Fiji conducted 10 training sessions. These were at the specific request of existing co-operatives covering management and financial skills, starting a business and bee keeping training. Women Empowerment is also a goal for the Department, this is achieved through conducting training specifically for women and encouraging more participation in leadership within co-operatives.

## 7. Corporate Services Division

The primary role of the Corporate Services Division (CSD) is to provide efficient administration and financial support services. It achieves this by ensuring that the Ministry's services are effectively operational and transparent at all times. CSD also ensures the Ministry is responsive to the current Government policies and the needs and aspirations of our internal and external stakeholders, statutory organisations and the general public.

### Staff Establishment

The approved staff establishment of the Ministry during this period was 151 posts, with 131 established and 20 Government Wage Earners (GWEs) posts.

At the close of this financial period, the Ministry had employed 119 staff. A total of 32 posts were vacant by end of the reporting period.

### Staff Development

The Ministry encourages staff development and training to support learning and performance. It achieves this by facilitating innovative, high-quality programmes, resources and services.

Within the period January to July 2016, 18 Ministry officials attended training locally and 31 officers attended international workshops, meetings and seminars.

Staff health and wellbeing in the prevention of non-communicable disease are emphasised through awareness programmes and physical activities. Wednesday afternoons have been allocated for staff wellbeing. Outdoor sports, such as volleyball and touch rugby, at Albert Park is where most employees enjoyed their physical activities. The Ministry also took part in the Civil Service Sports Day and participated in the Volleyball Business House competition.

### Post-Tropical Cyclone Winston Rehabilitation

To complement the work of the National Disaster Management Office (NDMO), the Ministry undertook relief work through the distribution of food rations, to families affected by Tropical Cyclone Winston, from 27 February to 7 March 2016. Support from the Fijian business community locally and internationally greatly assisted the Ministry in its efforts.

Relief work focused along the Ba-Rakiraki corridor, which was most affected by Tropical Cyclone Winston. In order to ascertain the most vulnerable villages and settlements, an itinerary was developed in close consultation with NDMO to further identify households per settlement.

Over 50 villages, settlements and evacuation centres were visited accounting for approximately 1,900 households.



*Ministry staff providing assistance in one of the affected school in Western division*



*Hon. Koya in the village in the Ra province*

# 2016 – 2017 Report



MINISTRY OF  
INDUSTRY, TRADE  
AND TOURISM

1 August 2016 – 31 July 2017

# 1. Reports by Departments

The Ministry of Industry, Trade and Tourism formulates and implements policies and strategies to facilitate growth in industry, investment, trade, tourism, co-operative businesses, micro and small enterprises; and enhance metrology, standards and consumer protection.

These roles and responsibilities are undertaken by the Economic Unit, Trade Unit, Department of Tourism, Department of National Trade Measurement and Standards, Department of Co-operative Business, the Integrated Human Resource Development Programme, Human Resources Unit and Finance Unit, within the Ministry, including Trade Commissions in Australia, New Zealand, China, Taiwan, Papua New Guinea and North Americas. The Ministry is supported by seven statutory organisations, namely Consumer Council of Fiji, Fijian Competition and Consumer Commission, Investment Fiji, Film Fiji, Tourism Fiji, Real Estate Agents Licensing Board and National Centre for Small and Micro Enterprise Development.

# 2. Economic Unit

The Unit is responsible for formulating, implementing, monitoring and reviewing policy initiatives and projects, to enhance private sector development in commerce, industry, micro, small and medium enterprises (MSME), investment, services, competition and consumer protection. The Unit oversees four statutory organisations and is also responsible for providing policy advice and administrative support to its stakeholders, both within Government and externally.

The major projects undertaken by Economic Unit in 2016-2017 financial year were as follows.

## Fijian Made – Buy Fijian Campaign

The Fijian Made – Buy Fijian (FMBF) Campaign continued with various marketing activities and promotional events in 2016-2017. These included outreach programmes, advertising commercials on television, cinema and radio, billboard advertising, Secondary School Careers Expo, 2017 Kula Film Awards, 2017 National Women’s Expo, 2017 Fiji Agriculture Show, 2017 Fiji International and 2016 Fijian Tourism Expo. A total of 217 companies and 923 products were granted approval to use the Fijian Made, Fijian Sewn, Fijian Packed, Fijian Product, Fijian Grown and Fijian Crafted brands in the reporting period.

## National Export Strategy

The National Export Strategy (NES) aims to achieve sustainable economic growth by encouraging exports, competitiveness, value addition and diversification. The NES prioritises the forestry, fisheries, agro-business, mineral water, audio visual and ICT sectors.

In the 2016-17 financial year, the NES grant assisted five companies in the agribusiness and forestry sector to undertake processing and increased value addition to their export commodities. The Ministry released a total of \$541,775 across five projects. This funding was used to assist with the procurement of equipment and machinery.



*National Export Strategy recipients*

## Micro and Small Business Grant Facility

The Micro and Small Business Grant (MSBG) provides \$1,000 grants for micro and small businesses. The MSBG facility is jointly administered by the Ministry and the Fiji Development Bank (FDB).

In the 2016-2017 financial year, grant was disbursed to 6,226 recipients throughout Savusavu, Taveuni, Navua, Sigatoka, Suva, Nadi, Lautoka and Nausori. Typical usage of the MSBG funding was to enable developments in; bee farming, cattle farming, canteen business, livestock farming, fishing business, goat farming, handicraft, sewing business and poultry farming.



*Hon. Prime Minister with MSBG recipients*

## Textile Clothing and Footwear Council

The Ministry continued its support for the Textile Clothing and Footwear (TCF) Council to promote the export market opportunities of the Fijian garment industry. Promotion efforts are encouraged for the exports to the markets of Australia, New Zealand and the United States. The TCF Council also aims to increase awareness of Fiji’s TCF Industry capabilities.

## **Northern Development Programme**

The Northern Development Program (NDP) is a Government funded program that targets entrepreneurs in the Northern Division under the “Look North” policy. The NDP provides equity assistance through grants to enterprises to take loans from approved lenders including the Fiji Development Bank, commercial banks and sugarcane growers fund. This helps to improve the livelihoods of the people of the Northern Division. The program also provides business and technical training to help businesses improve performance.

The Northern Development Programme came under MITT in the 2016-2017 financial year. The NDP assisted 90 projects out of 93 applications received, with a total grant value of \$633,041.28. The projects that were assisted ranged from, agriculture (cash cropping, cane farming, livestock, bee keeping, dalo and yaqona farming), fishing, forestry, bakery, manufacturing (tailoring) and rural commercial projects.

## **Audio Visual Agents Licensing**

The Ministry continued with the licensing of audio visual Agents in 2016-2017. These Agents provide a wide range of services to the audio visual industry. Their services range from financial and accounting services, legal advisory services, line producers, and location scouting, equipment hire.

## **Scrap Metal Trade**

The Scrap Metal Trade Act 2011 regulates the scrap metal trade in Fiji, by putting in place a licensing regime for the traders of scrap metal. This includes the granting of Special Approval for sale of Non-Ferrous Scrap by the Licensing Authority.

The suspension on the trade of non-ferrous scrap metal continued in this financial year. Special approvals were granted on a case by case basis to Government Departments, as well as, public and private companies. In the 2016-2017 financial year, the Licensing Authority issued license renewal to 5 scrap metal dealers and issued 29 Special Approvals to private companies, public companies and Government Departments.

## **Consumer Credit Act Review**

A review of the Consumer Credit Act was undertaken in 2016 with a Terms of Reference developed in partnership with the Reserve Bank of Fiji and the United Nations Development Programme’s Financial Inclusion Programme.

The main objective of the assignment was to revise the existing Consumer Credit Act in consultation with all relevant stakeholders. The intended outcome is a new law to address the gaps that exist in the current law.

# **3. Trade Unit**

The Unit’s role is to formulate and implement policies and initiatives to enhance domestic and international trade and to coordinate trade and investment promotion. The Unit also advances negotiations to create favourable global market access opportunities for Fijian goods and services in overseas markets. The Unit is concurrently tasked with increasing Fiji’s regional and global economic integration to enhance Fiji’s economic performance. The Unit monitors the performance of the Trade Commissions, based in Australia, New Zealand, China, Taiwan, Papua New Guinea and North Americas, as well as, two statutory organisations, namely Investment Fiji and Film Fiji.

## **Trade Agreements**

### **WTO Trade Facilitation Agreement**

The World Trade Organisation (WTO) Trade Facilitation Agreement (TFA) was endorsed by Parliament in February 2017, and subsequently ratified in May 2017. This comes as part of Fiji’s ongoing reforms and improvements to enhance cross-border trade and Fiji’s position as a regional hub. The National Trade Facilitation Committee, has been mandated by the Parliament to develop, formulate and implement the strategies that will ensure the smooth and effective implementation of the TFA.

### **Melanesian Free Trade Agreement**

Trade Ministers and officials from the Melanesian Spearhead Group countries had endorsed the conclusion of three years of negotiations of the Melanesian Free Trade Agreement (MFTA) in Vanuatu in May 2016. The Hon. Prime Minister signed the MFTA on 20 January 2017, making Fiji the second MSG party to sign after Solomon Islands.

## **Joint Feasibility Study for Proposed Trade Arrangement Between Fiji and China**

Fiji and China signed a Memorandum of Understanding in 2015 to undertake a joint feasibility study to explore options for future trade and economic relations between the two countries. This financial year, a consultant had been engaged to undertake the Fiji-side of the feasibility study.

## **PACER Plus Negotiations**

The Special Forum Trade Officials/Pacer Plus Officials Meeting and the Special Forum Trade Ministers Meeting (SFTMM) was held in August 2016 and was attended by Australia, New Zealand and the Pacific Island Countries. The main objective of the meeting was to consider outstanding issues in the PACER Plus negotiations and propose recommendations to the SFTMM in order to conclude the negotiations.

Fiji will host the Special Trade Ministers Meeting in October 2017 in Nadi. The purpose of the Meeting will be to take stock of the developments in the PACER Plus negotiations and review the status of the market access and development assistance negotiations.

## **Peer Learning on Trade Data for Solomon Islands Trade Officials**

The Ministry collaborated with the Pacific Islands Forum Secretariat (PIFS) to organise a peer learning attachment for Solomon Islands Trade officials from the 20 February 2017 to 3 March 2017. The programme allowed for an exchange of experiences and best practices with regards to trade data collection, analysis and management processes and procedures between Fiji and the Solomon Islands.

## **Workshops and Consultations**

### **i) National Trade Facilitation Workshops**

The Ministry, in collaboration with the International Trade Centre, held the National Trade Facilitation Workshop for the private sector in April 2017. The objective of the workshop was to create awareness of the World Trade Organisation Trade Facilitation Agreement for the private sector, particularly for Small and Medium Enterprises (SMEs). It was aimed to create greater awareness on the benefits to SMEs from reduction in the cost of trade and encourage them to participate in the global value chains.



*National Trade Facilitation*

In June 2017, the Ministry organised further refresher workshops on the Trade Facilitation Agreement for the leading trade facilitation agencies, government representatives and the private sector. This provided the attendees with increased awareness and information to form their strategies accordingly.

### **ii) Doing Business Stakeholder Consultations**

A Doing Business Taskforce comprising of the Solicitor General's Office, Fiji Revenue and Customs Services, Ministry of Industry, Trade and Tourism, Registrar of Companies, Ministry of Local Government and Investment Fiji was formed this financial year. This taskforce will look into doing business reforms. The Taskforce identified (1) Starting a Business; (2) Construction Permits; (3) Trading across Borders and (4) Paying Taxes, as the areas where changes could be made. It is expected that the impact will lead to improvement in doing business processes.

## **Skilled Professional Evaluation Committee**

The Skilled Professionals Evaluation Committee (SPEC) was formed under the Registration of Skilled Professional Act 2016. The Act created an avenue to fast-track and provide a separate work visa application process for the skilled professionals that Fiji needs. It is an enabling law that allows Fijians to have access to skills that we do not currently have in Fiji.

The SPEC is required to identify the need for skilled professionals in specialised fields and evaluate the application of skilled professionals seeking employment in Fiji. The committee has received a total of 19 Applications since its formation.

## **Trade Commissions**

### **Trade Commission Australia**

A key milestone for the Trade Commission in Australia was the hosting of a Trade and Investment Mission and Symposium in Sydney from 19-21 September 2016. The purpose of this Mission was to promote Fijian made products and investment opportunities in the ICT, Tourism and Agriculture sectors. This was the first Trade and Investment Mission to Australia that was led by the Hon. Prime Minister. This was followed by the first Trade and Investment Symposium in Auckland, New Zealand in October 2016, where the Hon. Prime Minister announced that the Trade Commissioner to Australia will also be responsible for New Zealand and a Trade Commission will be opened in Auckland.

## **Trade Commission Papua New Guinea**

The Fiji Trade Commission Office in Papua New Guinea (PNG) officially commenced operations in July 2017. The Trade Commissioner established linkages with trade and investment related agencies. These include the linkages with the National Agricultural and Quarantine Inspection Authority on market access matters and PNG Customs on tariff related issues.

## **Trade Commission North Americas**

The Trade Commission based in Los Angeles, along with the Embassy in Washington, worked with other developing countries to successfully lobby for the inclusion of additional products on the General System of Preference (GSP). The United States Trade Representative (USTR) agreed to include different types of travel goods on the GSP list. This makes these goods eligible for duty-free treatment from all countries, including Fiji.

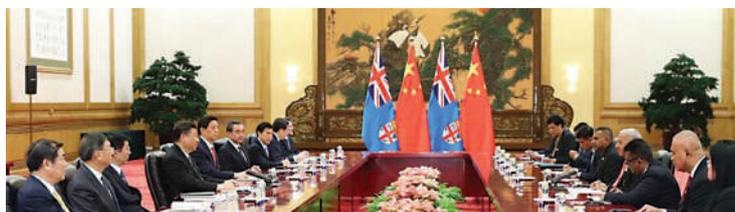
After extensive efforts and discussions organised by the Fijian Government, the GSP country practice case concerning Fiji had been closed, in January 2017, by the Office of the USTR without change to Fiji's GSP trade benefits. A formal announcement was published on the U.S. federal register noting the USTR had decided to close the country practices review case regarding worker rights in Fiji "in view of progress made by the Government of Fiji, respectively, in addressing worker rights issues."

The Trade Commission also handled multiple export inquiries from Fijian companies seeking buyers in the United States of America (U.S.) and from U.S. companies seeking to buy products from Fijian businesses.

## **Trade Commission China**

Since the establishment of the Trade Commission, the 2016-2017 financial year saw the successful participation in various events. A highlight was the Fiji-China Trade Economic and Cultural Cooperation Forum, which was held in Suva in November 2016. Other notable achievements were the Hon. Prime Minister attending the Belt and Road Forum in Beijing in May 2017, the only Pacific Island Country Leader to do so. Additionally, the Hon. Minister for Industry, Trade and Tourism was chief guest at Trade and Investment Symposia in Guangzhou, Jiangmen and Hong Kong in May 2017.

The Trade Commission continued to facilitate trade and investment projects across sectors such as tourism, manufacturing and bottled water.



*Fijian delegation meeting with the Chinese Delegation in the margins of Belt and Road Forum*



*Trade and Investment Seminar in Hong Kong*

## **4. Tourism Unit**

The Unit undertakes research and data collection to formulate and implement policy initiatives, plans and strategies to develop the Fijian tourism industry in a sustainable manner, while ensuring greater retention of the tourism income. The Unit also oversees the performance of Tourism Fiji, which is responsible for marketing and promoting Fiji as a tourist destination.

### **Fijian Tourism 2021**

The Ministry continued work on the Fijian Tourism 2021 (FT 2021) with three industry stakeholder consultations on the draft plan. Nine (9) thematic areas and 28 strategies were presented to stakeholders inviting their feedback and comments. This also contributed to the preparation of an Implementation Matrix.

FT 2021 will ensure that all stakeholders have access to the strategies that will effectively guide the sustainable development of our tourism industry. At the same time, the Plan will also articulate strategies to improve quality and accessibility to tourism offerings.

### **International Visitor Survey**

The Ministry continued implementing the international visitor survey on departing visitors at Nadi Airport. Survey and data analysis software were installed and staff were taught the relevant skills to utilise these. Capacity building of the Tourism Research team developed understanding of raw data and its analysis.

On 23 December 2016, the Ministry officially launched the 2014 International Visitor Survey (IVS) Report. The Report contains quantitative and qualitative assessment of visitors. This in turn provides key stakeholders with comprehensive and accurate information on the characteristics, behaviour and expenditure of visitors to Fiji.

In July 2017, the Ministry commenced with the analysis of the 2015 IVS data, with a mentoring programme focused on building staff capacity for in-house reporting. This will allow the Ministry to provide real-time visitor information in its efforts to continually improve Fiji's IVS.

## **FIJIAN HOSTS**

The FIJIAN HOSTS programme continued to train key personnel of the eight (8) front-line agencies at the Nadi International Airport to improve customer service delivery as well as acknowledge their contribution through organised monthly and annual awards.

In the reporting period, training sessions were successfully completed for 70 participants.

## **Events**

The Ministry plays a supportive role in a number of events hosted by key partners in the tourism industry.

For the 2016 Fiji International golf tournament, the Ministry provided executive level support to the event organisers and ensured that the Fijian Government achieved its returns on investment. The event was successfully held from 6 - 9 October at the Natadola Bay Championship golf course.

The Ministry was also part of Tourism Fiji's annual consultative event - Industry Day, which was held on 23 September 2016 at the Intercontinental Golf Resort and Spa. The event was an overall success with over 300 participants including private sector stakeholders, Tourism Fiji's management and staff and Ministry representatives.

The Ministry also supported the annual Fijian Tourism Expo (FTE) 2017, which was held on 4-5 May 2017 at the Denarau Island Convention Centre, Sheraton Resort & Spa, by sponsoring the Fijian Crafted Village and partnering with Investment Fiji and Film Fiji as exhibitors.

The Fijian Crafted Village was a tremendous success with 16 artisans showcasing authentic arts and crafts and achieving over \$1,200 in direct sales and \$12,000 worth of pre-orders. The artisans also established markets with retailers like Jacks Handicrafts and tourism operators like Wananavu Resort, Musket Cove, the Marriot and Castaway Resort.



*Ministry staff with the H.E. President of Fiji at the FTE*

## **World Tourism Day 2016**

In recognition of the important role tourism plays in the Fijian economy, the Ministry celebrated World Tourism Day (WTD) with a Tourism Fair on 27 September at Suva's Ratu Sukuna Park with the theme "Tourism for all - promoting universal accessibility".

A total of 27 tourism stakeholders had display booths, including several Government Departments, educational institutions and tourism operators. In addition to the WTD Fair, other events were organized to celebrate the Day. This included a WTD Photography Contest and a Gallery event held on the same evening at the Grand Pacific Hotel to award the top three winners and seven outstanding runners-up of the WTD Photography Contest.



*World Tourism Day fair*



*World Tourism Day photography contest*

## **International Year of Sustainable Tourism Development**

The United Nations (UN) General Assembly declared 2017 as the 'International Year of Sustainable Tourism for Development' (IYSTD) with the objective of raising awareness on the contribution of sustainable tourism towards development. Fiji, being a member of the UN World Tourism Organisation (UNWTO), subsequently compiled a National Work Programme, as the key implementation initiative.

The Ministry of Industry, Trade and Tourism, in a joint effort with the Ministry of Youth and Sports, Organisation of Industrial, Spiritual and Cultural Advancement (OISCA) Fiji and Shangri-La Fijian Resort participated in a Mangrove Planting Programme, on 8 June 2017.



*Mangrove planting for IYSTD*

The Mangrove Planting Programme served as a pre-launch initiative and the first event of the National Work Programme, which involved planting of more than 200 mangrove seedlings.

The Minister for Industry, Trade, Tourism, Lands and Mineral Resources, Hon. Faiyaz Siddiq Koya officiated the event, which was attended by industry stakeholders, District representatives from Serua, Nadroga and Navosa, Heritage in Young Hands, students from 2 primary schools within the district of Cuvu, OISCA representatives, Government officials, as well as, staff, management and guests of Shangri-La Fijian Resort.

The event also coincided with the celebrations of World Ocean Day with the theme 'Our Oceans, Our Future', complementing the high-level UN Oceans Conference to support the implementation of Sustainable Development Goal 14, which Fiji and Sweden co-hosted in New York.

## **5. Department of National Trade Measurement and Standards**

The Department is responsible for the implementation of laws and regulations that protect consumers from unsafe and poor-quality products and creates favourable conditions for exchange of goods. The Department develops national and adopts international standards in order to raise levels of quality, safety, reliability, efficiency and interchangeability of products and services. The Department maintains the national system of units and standards of measurement to ensure fair and just use of units of measurement and measuring instruments. The Department also regulates the trade of scrap metal to prevent the illegal trade of public infrastructure metal.

### **Standards Unit**

Following the devastation caused by Tropical Cyclone Winston, the Ministry reactivated the Fiji Building Standards Committee (FBSC) in 2016 to look into the quality of building materials imported into Fiji.

In this financial year, the Standards Unit prioritised the development of building standards aimed at improving the quality of building materials. In the reporting period, 75% of standards developed or adopted were for building sector followed by food sector 13% and 12% energy standards.

As part of the Department's enforcement duties, 602 traders were inspected to check for compliance with the fireworks declaration of dangerous goods and fireworks labelling. In addition, 275 inspections were carried out for compliance with other declaration of dangerous goods.

Over the year, three complaints were received, two of these were on the standards and one complaint was on the weighing instruments. Investigations were conducted and the team was able to resolve the complaints.

### **Trade Measurement Unit**

The Trade Measurement team collected \$565,463.66 from verification and certification of instruments and licensing over the period August 2016 to July 2017.

The National Measurement Laboratory issued 32 principal licenses, 71 repairers licenses, 10 public weighman licenses, 250 import licences and 9 pattern approvals were issued to traders to bring new model equipment. From August 2016 to July 2017, new model scales, water meters and speed cameras were bought by different traders.

Furthermore, DNTMS invested in the purchase of a bell prover device. A bell prover is a device, which verifies the accuracy of a gas meter. Training was given to DNTMS staff by the supplier on usage of the bell prover.

## 6. Department of Co-operative Business

The Department is responsible for formulating and implementing policies and strategies to facilitate the promotion, establishment and monitoring of co-operative businesses in Fiji. The training and up-skilling of co-operative society members and officials is also a key role of the Department.

The Department concentrated its efforts this year in assisting communities, especially those co-operatives that were badly affected by Tropical Cyclone Winston in February 2016.

Our officers continued their monitoring role and advised co-operatives on how to recuperate and continue operations. A total of 84 co-operatives, with assets worth \$825,609, were damaged in the cyclone. Those affected were advised to access their savings with the National Reserve Investment Trust Fund to assist in rebuilding of their co-operative. This worked with Government's wider assistance in rehabilitating communities.

There were 45 new registrations of co-operatives this financial period. There was an increase in registrations for cane farming co-operatives, due to the assistance offered to cane farmers for the purchase of cane harvesters and tractors by the Ministry of Sugar.

## 7. Integrated Human Resource Development Programme

The Integrated Human Resource Development Programme (IHRDP) addresses unemployment through a holistic and integrated approach by combining efforts and resources of the public sector, private sector and civil society. IHRDP empowers communities to achieve decent and productive work to enhance sustainable national economic growth. IHRDP also provides grant funding for community-based income generating projects in rural areas with a focus on supporting MSME development.

IHRDP was officially transferred to the Ministry of Industry, Trade and Tourism at the beginning of the 2016-2017 financial year. Over the course of this year 6 new projects were approved and 12 existing projects were provided with continued support services and corrective action.

IHRDP officers, along with other MSME officers and stakeholders, took part in the training to "Start and Improve Your Business Training of Trainers". This was co-sponsored by the International Labour Organisation and the Ministry. This training improved IHRDP service delivery by equipping the participants with skills and knowledge to conduct 'Start and Improve your Business training'.

## 8. Corporate Services Division

The primary role of the Corporate Services Division (CSD) is to provide efficient administration and financial support services. It achieves this by ensuring that the Ministry's services are effectively operational and transparent at all times. CSD also ensures the Ministry is responsive to the current Government policies and the needs and aspirations of our internal and external stakeholders, statutory organisations and the general public.

### **Staff Establishment**

The Headquarters of the Ministry of Industry, Trade and Tourism was moved from Naibati House, Goodenough Street to Civic Tower in June 2016. The Ministry now occupies Level 2 and Level 3 of the Civic Tower Building, owned by Suva City Council.

The Integrated Human Resources Development Programme (IHRDP) was transferred from Ministry of Economy to Ministry of Industry Trade and Tourism effective from 1 August 2016 with its assets and seven IHRDP staff.

The approved staff establishment of the Ministry during this period was 154 posts, with 133 established posts and 21 permanent or Government Wage Earners (GWEs) posts.

At the close of this financial period, the Ministry had employed 124 staff, of which 122 staff were on contracts and two staff on permanent employment. A total of 36 posts were vacant by end of the reporting period.

From the 124 staff employed, 73 were female and 53 were male. Women comprise 58% of our workforce.

## **Staff Development**

The Ministry encourages staff development and training to support learning and performance. It achieves this by facilitating innovative, high-quality programmes, resources and services.

Within the period July 2016 to August 2017, there were 43 trainings for officers locally and 52 trainings for officers overseas.

Staff health and wellbeing in the prevention of non-communicable disease are emphasised through awareness programmes and physical activities. Wednesday afternoons have been allocated for staff wellbeing. Outdoor sports, such as volleyball and touch rugby, at Albert Park is where most employees enjoyed their physical activities.



**MINISTRY OF  
INDUSTRY, TRADE  
AND TOURISM**

**2016 Agency  
Financial Statement**



**Agency financial statement for the year ended 31 July 2016**

**OFFICE OF THE AUDITOR GENERAL**  
**Excellence in Public Sector Auditing**



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File 344

26 May 2017

The Honorable Minister  
Ministry of Industry, Trade and Tourism  
Civic Tower, Level 3  
SUVA

Dear Sir

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**AUDITED AGENCY FINANCIAL STATEMENTS OF THE MINISTRY OF INDUSTRY, TRADE AND TOURISM  
FOR THE SEVEN MONTH PERIOD ENDED 31 JULY 2016**

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Audited financial statements for the Ministry of Industry, Trade and Tourism for the seven month period ended 31 July 2016 together with my audit report on them are enclosed.

Particulars of errors and omissions arising from the audit have been forwarded to the management of the Ministry for its action.

Yours Sincerely

Ajay Nand  
**AUDITOR-GENERAL**

cc. Mr. Shaheen Ali, Permanent Secretary, Civic Tower, Level 3

Encl.



**MINISTRY OF INDUSTRY, TRADE AND TOURISM  
AGENCY FINANCIAL STATEMENTS  
FOR THE FINANCIAL PERIOD ENDED 31 JULY 2016**

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## INDEPENDENT AUDITOR'S REPORT

### Audit Opinion

I have audited the financial statements of the Ministry of Industry, Trade and Tourism, which comprise the Statement of Receipts and Expenditure, Appropriate Statement, Statement of Losses and Trust Account Statement of Receipts and Payments for the 7 months period ended 31 July 2016, and the notes to the financial statements including a summary of significant accounting policies.

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

### Basis for Opinion

I have conducted my audit in accordance with International Standards on Auditing (ISA). My responsibilities under those standards are described in the Auditor's Responsibilities paragraph of my report. I am independent of the Ministry in accordance with the ethical requirements that are relevant to my audit of the financial statements in Fiji and I have fulfilled my other responsibilities in accordance with these requirements. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

### Management's Responsibilities for the Financial Statements

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

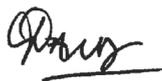
### Auditor's Responsibilities

My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISA will always detect a material misstatement when it exists. Misstatements can arise from fraud and error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

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

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

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



Ajay Nand  
**AUDITOR GENERAL**



Suva, Fiji  
26 May 2017

**MINISTRY OF INDUSTRY, TRADE AND TOURISM  
MANAGEMENT CERTIFICATE  
FOR THE FINANCIAL PERIOD ENDED 31 JULY 2016**

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We certify that the financial statements:

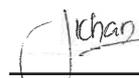
(a) fairly reflect the financial operations and performance of the Ministry of Industry, Trade and Tourism for the period ended 31 July 2016; and

(b) have been prepared in accordance with the requirements of the Financial Management Act 2004, Financial Management (Amendment) Act 2016 and the Finance Instructions 2010.



Shaheen Ali  
Permanent Secretary

Date: 25/5/17



Joy Khan  
Principal Accounts Officer

Date: 25/5/17

**MINISTRY OF INDUSTRY, TRADE AND TOURISM**  
**STATEMENT OF RECEIPTS AND EXPENDITURE**  
**FOR THE FINANCIAL PERIOD ENDED 31 JULY 2016**

	Notes	2016 \$	2015 \$
<b>REVENUE</b>			
<b>State Revenue</b>			
Fees - Miscellaneous		257,404	790,746
Commission		391	565
Interest Consumer Cooperatives		312	1,198
Registration Fees		422	4,400
Other Grant in Aid		468,950	1,050
<b>Total Revenue</b>	<b>3(a)</b>	<b>727,479</b>	<b>716,959</b>
<b>EXPENDITURE</b>			
<b>Operating Expenditure</b>			
Established Staff		1,700,033	3,364,079
Government Wage Earners		221,837	319,683
Travel and Communications		212,157	362,710
Maintenance & Operations		402,602	579,805
Purchase of Goods and Services		193,551	237,409
Operating Grants and Transfers		6,569,031	9,588,508
Special Expenditures		3,302,537	5,569,452
<b>Total Operating Expenditure</b>		<b>12,601,748</b>	<b>20,021,646</b>
<b>Capital Expenditure</b>			
Capital Purchases		-	810,618
Capital Grants and Transfers		21,422,280	25,541,000
<b>Total capital Expenditure</b>		<b>21,422,280</b>	<b>26,351,618</b>
Value Added Tax		347,750	737,524
<b>TOTAL EXPENDITURE</b>	<b>3 (b)</b>	<b>34,371,778</b>	<b>47,110,788</b>

**MINISTRY OF INDUSTRY, TRADE AND TOURISM**  
**APPROPRIATE STATEMENT**  
**FOR THE FINANCIAL PERIOD ENDED 31 JULY 2016**

SEG	Item	Budget Estimate \$	Changes (Note 4) \$	Revised Estimate \$	Actual Expenditure \$	Lapsed Appropriation \$
<b>Operating Expenditure</b>						
1	Established Staff	3,774,396	-	3,774,396	1,700,033	2,074,363
2	Gouvernement Wage Earner	377,655	-	377,655	221,837	155,818
3	Travel and Communications	451,300	-	451,300	212,157	239,143
4	Maintenance & Operations	650,300	(6,422)	643,878	402,602	241,276
5	Purchase of Goods & Services	312,500	6,422	318,922	193,551	125,371
6	Operating Grants & Transfers	11,100,676	-	11,100,676	6,569,031	4,531,645
7	Special Expenditures	7,130,546	(30,108)	7,100,438	3,302,537	3,797,901
	<b>Total Operating Expenditure</b>	<b>23,797,373</b>	<b>(30,108)</b>	<b>23,767,265</b>	<b>12,601,748</b>	<b>11,165,517</b>
<b>Capital Expenditure</b>						
8	Capital Construction	-	30,108	30,108	-	30,108
9	Capital Purchase	2,000,000	-	2,000,000	-	2,000,000
10	Capital Grants and Transfers	32,200,000	-	32,200,000	21,422,280	10,777,720
	<b>Total Capital Expenditure</b>	<b>34,200,000</b>	<b>31,108</b>	<b>34,230,108</b>	<b>21,422,280</b>	<b>12,807,828</b>
13	Value Added Tax	949,100	-	949,100	347,750	601,350
	<b>TOTAL EXPENDITURE</b>	<b>58,946,473</b>	<b>-</b>	<b>58,946,473</b>	<b>34,371,778</b>	<b>24,574,695</b>

**Details of Appropriate Changes**

The Ministry of Economy approved the following transfer of funds during the period.

Virement No.	From	To	Amount (\$)
V34001/16	SEG's 1,2,4,13	SEG's 1,2,4,5,13	40,833

The Permanent Secretary for Industry, Trade and Tourism approved the following Virements under delegation from the Minister of Economy.

Virement No.	From	To	Amount (\$)
DV3401	SEG 4	SEG 4	24,000
DV3402	SEG 7	SEG 8	183
DV3403	SEG 7	SEG 8	29,925
DV3404	SEG 4	SEG 4	70,000

**MINISTRY OF INDUSTRY, TRADE AND TOURISM**  
**STATEMENT OF LOSSES**  
**FOR THE FINANCIAL PERIOD ENDED 31 JULY 2016**

---

**Losses of Money**

There was no loss of money recorded for the financial period ended 31 July 2016.

**Losses of Revenue**

There was no loss of revenue recorded for the financial period ended July 2016.

**Losses of Assets (other than Money)**

Following the approval for write-off from Ministry of Economy, the Ministry of Industry, Trade and Tourism reported the loss of assets worth \$166,162 for the period ended 31 July 2016.

Office	Cost (\$)
PS / Minister	1,300
Fiji Trade Commission - LA	90
Fiji Trade Commission Taiwan	16,727
Accounts	15,715
Admin Section	6,800
Economic Unit	18,776
Trade Unit	12,425
DNTMS	10,979
Laboratory	56,105
Co-operative Lami	11,850
Co-operative HQ	12,525
Co-operative Training	275
Tourism	2,595
<b>Total</b>	<b>166,162</b>

**MINISTRY OF INDUSTRY, TRADE AND TOURISM**  
**STATEMENT OF LOSSES**  
**FOR THE FINANCIAL PERIOD ENDED 31 JULY 2016**

(cont'd)

Losses of assests totalling \$15,207 due to theft were reported to the Police and Ministry of Economy. The theft is being investigated by the Police. Lost items included in Police report are as follows:

Report Number	Office	Item	Quantity	Total Cost (\$)
23/03/16	DNTMS	Sony Camera	1	350
		HP Laptop Computer	2	5,598
		Eye Glass	1	12
172/5/16	Accounts	USB	250	2,512
		Water Bottles	27	389
		Key Tags	71	288
914/07/16	DNTMS	Dell Laptop Latitude	2	5,108
		Code of Arms	1	600
		Screw Driver	1	100
		Safety Boot	1	250
<b>Total</b>				<b>15,207</b>

MINISTRY OF INDUSTRY, TRADE AND TOURISM  
 CO-OPERATIVE TRUST ACCOUNT STATEMENT OF RECEIPTS AND PAYMENTS  
 FOR THE FINANCIAL PERIOD ENDED 31 JULY 2016

Department of Cooperatives

	2016 \$	2015 \$
<b>RECEIPTS</b>		
<b>Cooperative Training Institute</b>		
Training Fees	4,900	6,640
Interest Received	466	1,365
	<u>5,366</u>	<u>8,005</u>
<b>National Cooperative Federation</b>		
Sales - Stationery	706	1,197
Registration Fees	-	115
Crop Lien	-	80
Adjustment of Accountable Advance	-	155
	<u>706</u>	<u>1,547</u>
<b>Total Receipts</b>	<u><b>6,072</b></u>	<u><b>9,552</b></u>
<b>PAYMENTS</b>		
<b>Cooperative Training Institute</b>		
Bank Charges	154	167
Interest paid to revenue	312	1,198
	<u>466</u>	<u>1,365</u>
<b>National Cooperative Federation</b>		
Registration Fees	-	690
VAT	-	803
Stamp Duty	-	80
Stationery	1,329	2,842
FIRCA	478	-
Refund	10	-
	<u>1,817</u>	<u>4,415</u>
<b>Total Payments</b>	<u><b>2,283</b></u>	<u><b>5,780</b></u>
<b>Net Surplus</b>	3,789	3,772
<b>Balance as at 1 January</b>	70,767	66,995
<b>Closing Balance as at 31 July 2016</b>	<u><u><b>74,556</b></u></u>	<u><u><b>70,767</b></u></u>

**MINISTRY OF INDUSTRY, TRADE AND TOURISM**  
**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS**  
**FOR THE FINANCIAL PERIOD ENDED 31 JULY 2016**

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**NOTE 1            REPORTING ENTITY**

The Ministry of Industry, Trade and Tourism formulates and implements policies and strategies to facilitate growth in industry, investment, trade, co-operative business, micro and small enterprise; and enhance metrology, standards and consumer protection.

These roles and responsibilities are undertaken by the Economic Unit, Trade unit, Department of National Trade Measurement and Standards, Department of Cooperatives Business and Corporate Service Division, within the Ministry, including Trade Commission in Taiwan, Log Angeles, Shanghai and Papua New Guinea. The Ministry is supported by seven (7) statutory organisations namely Consumer Council of Fiji, Fiji Commerce Commission, Investment Fiji, Film Fiji, Tourism Fiji, Real Estate Agents Licensing Board and National Centre for Small and Micro Enterprise Development.

**NOTE 2            STATEMENT OF ACCOUNTING POLICIES**

**a)            Basis of Accounting**

In accordance with Government accounting policies, the financial statements of the Ministry of Industry, Trade and Tourism is prepared on cash basis of accounting. All payments related to purchase of fixed assets have been expensed.

The financial statements are presented in accordance with the Financial Management Act 2004, Financial Management (Amendment) Act 2006 and the requirements of Section 71(1) of the Finance Instruction 2010. The preparation and presentation of a Statement of Assets and Liabilities is not required under the current Government policies, except for that of the Trade and Manufacturing Accounts.

**b)            Consolidation of Accounts**

The financial report consolidates the financial statements of the Department of Cooperative and Small Businesses, and the Ministry of Industry and Trade as stated in the Appropriation Promulgation or Annual Appropriation Act.

**c)            Accounting for Value Added Tax (VAT)**

All income and expenses are VAT exclusive. The Ministry on a monthly basis takes out VAT output on total money received for expenditure from Ministry of Finance. VAT input on the other hand is claimed on payments made to the suppliers and sub-contractors for expenses incurred.

**d)            Comparative Figures**

The Ministry changed its reporting period from 1 August to 31 July as per the Ministry of Economy circular number 04/16 due to a change in the whole of government reporting period.

Hence, the 2016 financial reporting period is for 7 months effective from 1 January 2016 to 31 July 2016. In comparison, the 2015 financial reporting period is for 12 months effective from 1 January 2015 to 31 December 2015. This was provided for in the Financial Management (Amendment) Act 2016.

**e)            Change in Fiscal Year**

As per the change in the Government Fiscal year from January - December to August to July, the current Annual Financial Statements depicts financials for seven months. The figures of the last seven months are illustrated against December 2015 figures.

**f)            Revenue Recognition**

Revenue is recognised when actual cash is received by the Ministry.

**NOTE 3            SIGNIFICANT VARIATIONS**

a)            Other Grant-in-aid increased by \$467,900 in 2006 compared to 2015 due to the Grant-in-aid received from Indian High Commission towards the Micro and Small Business Grant of \$470,000.

**MINISTRY OF INDUSTRY, TRADE AND TOURISM**  
**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS**  
**FOR THE FINANCIAL PERIOD ENDED 31 JULY 2016**

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*(Continued...)*

- b) Total expenditure declined by \$12,739, 010 or 27% due to change in government financial reporting period and hence the 2016 financial period is for 7 months effective from 1 January 2016 to 31 July 2016 in comparison to 2015 which comprised of 12 months period (1 January 2015 to 31 December 2015).

**NOTE 4 TRUST FUND ACCOUNT**

As at 31 July 2016, there were fund amounting to \$74,556 in the Trust account. The Trust fund account was established to administer the training services delivered to co-operative members. The receipts consist of fees charged to trainees and payment relates to the operation of the training institutes.



MINISTRY OF  
INDUSTRY, TRADE  
AND TOURISM

2016 - 2017  
Agency Financial Statement



**Agency financial statement for the year ended 31 July 2017**

**OFFICE OF THE AUDITOR GENERAL**  
**Excellence in Public Sector Auditing**



6-8<sup>th</sup> Floor, Ratu Sukuna House  
2-10 McArthur St  
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E-mail: [info@auditorgeneral.gov.fj](mailto:info@auditorgeneral.gov.fj)  
Website: <http://www.oag.gov.fj>



File:344

12 February 2018

The Honourable Minister  
Ministry of Industry, Trade and Tourism  
Civic Tower, Level 3  
**SUVA**

Dear Sir

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**AUDITED AGENCY FINANCIAL STATEMENTS MINISTRY OF INDUSTRY, TRADE AND TOURISM  
FOR THE YEAR ENDED 31 JULY 2017**

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Audited financial statements for Ministry of Industry, Trade and Tourism for the year ended 31 July 2017 together with my audit report on them are enclosed.

Particulars of the errors and omissions arising from the audit have been forwarded to the management for necessary actions.

Ajay Nand  
**AUDITOR-GENERAL**

cc: Mr. Shaheen Ali, Permanent Secretary, Civic Tower, Level 3

Encl.

**MINISTRY OF INDUSTRY, TRADE AND TOURISM  
AGENCY FINANCIAL STATEMENTS  
FOR THE FINANCIAL PERIOD ENDED 31 JULY 2017**

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## INDEPENDENT AUDITOR'S REPORT

To the Ministry of Industry, Trade and Tourism

### Audit Opinion

I have audited the financial statement of the Ministry Industry, Trade and Tourism which comprise the Statement of Revenue and Expenditure, Appropriation Statement, Statement of Losses and Trust Account Statement of Receipts and Payments for the year ended 31 July 2017, and the notes to the financial statements including a summary of significant accounting policies.

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

### Basis for Opinion

I have conducted my audit in accordance with the International Standards on Auditing (ISA). My responsibilities under those standards are described in the Auditor's Responsibilities paragraph of my report. I am independent of the Ministry in accordance with the ethical requirements that are relevant to my audit of the financial statements in Fiji and I have fulfilled my other responsibilities in accordance with these requirements. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

### Management's Responsibilities for the Financial Statements

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

### Auditor's Responsibilities

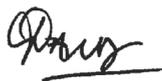
My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISA will always detect a material misstatement when exists. Misstatements can arise from fraud and error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on basis of the financial statements.

## INDEPENDENT AUDITOR'S REPORT

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

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

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



Ajay Nand  
**AUDITOR GENERAL**



Suva, Fiji  
12 February 2018

**MINISTRY OF INDUSTRY, TRADE AND TOURISM  
MANAGEMENT CERTIFICATE  
FOR THE FINANCIAL PERIOD ENDED 31 JULY 2017**

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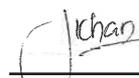
We certify that these financial statements:

- (a) Fairly reflect the financial operations and performance of the Ministry of Industry, Trade and Tourism for the year ended 31 July 2017; and
- (b) Have been prepared in accordance with the requirements of the Financial Management Act, Finance Instructions 2010 and Finance (Amendment) Instructions 2016.



Shaheen Ali  
Permanent Secretary

Date: 2/2/18



Joy Khan  
Principal Accounts Officer

Date: 2/2/18

**MINISTRY OF INDUSTRY, TRADE AND TOURISM**  
**STATEMENT OF REVENUE AND EXPENDITURE**  
**FOR THE FINANCIAL PERIOD ENDED 31 JULY 2017**

	Notes	12 months 2017 (\$)	7 months 2016 (\$)
<b>REVENUE</b>			
<b>State Revenue</b>			
Fees - Miscellaneous		587,190	257,404
Commission		630	391
Interest Consumer Cooperatives		719	312
Registration Fees		-	422
Other Grant in Aid		4,285	468,950
<b>Total Revenue</b>		<b>592,824</b>	<b>727,479</b>
<b>EXPENDITURE</b>			
<b>Operating Expenditure</b>			
Established Staff		2,991,913	1,700,033
Government Wage Earners		378,719	221,837
Travel and Communications		343,636	212,157
Maintenance & Operations		899,072	402,602
Purchase of Goods and Services		261,026	193,551
Operating Grants and Transfers		18,985,482	6,569,031
Special Expenditures		10,800,463	3,302,537
<b>Total Operating Expenditure</b>		<b>34,660,311</b>	<b>12,601,748</b>
<b>Capital Expenditure</b>			
Capital Construction		30,710	-
Capital Purchases		1,445,565	-
Capital Grants and Transfers		35,006,707	21,422,280
<b>Total Capital Expenditure</b>		<b>36,482,982</b>	<b>21,422,280</b>
Value Added Tax		428,822	347,750
<b>TOTAL EXPENDITURE</b>	<b>3</b>	<b>71,572,115</b>	<b>34,371,778</b>

**MINISTRY OF INDUSTRY, TRADE AND TOURISM**  
**APPROPRIATION STATEMENT**  
**FOR THE FINANCIAL PERIOD ENDED 31 JULY 2017**

SEG	Item	Budget Estimate (\$)	Appropriation Changes (\$)	Revised Estimate (\$) a	Actual Expenditure (\$) b	Lapsed Appropriation (\$) (a-b)
<b>Operating Expenditure</b>						
1	Established Staff	3,748,592	(88,410)	3,660,182	2,991,913	668,269
2	Government Wage Earner	365,575	88,410	453,985	378,719	75,266
3	Travel and Communications	451,300	3,159	454,459	343,636	110,823
4	Maintenance & Operations	1,000,300	195,239	1,195,539	899,072	296,467
5	Purchase of Goods & Services	342,500	(11,980)	330,520	261,026	69,494
6	Operating Grants & Transfer	17,670,176	1,335,542	19,005,718	18,985,482	20,236
7	Special Expenditure	13,943,729	(1,552,670)	12,391,059	10,800,463	1,590,596
	<b>Total Operating Expenditure</b>	<b>37,522,172</b>	<b>(30,710)</b>	<b>37,491,462</b>	<b>34,660,311</b>	<b>2,831,151</b>
<b>Capital Expenditure</b>						
8	Capital Construction	-	30,710	30,710	30,710	-
9	Capital Purchase	2,700,000	-	2,700,000	1,445,565	1,254,435
10	Capital Grants and Transfers	35,545,088	-	35,545,088	35,006,707	538,381
	<b>Total Capital Expenditure</b>	<b>38,245,088</b>	<b>30,710</b>	<b>38,275,798</b>	<b>36,482,982</b>	<b>1,792,816</b>
13	Value Added Tax	1,236,500	-	1,236,500	428,822	807,678
	<b>TOTAL EXPENDITURE</b>	<b>77,003,760</b>	<b>-</b>	<b>77,003,760</b>	<b>71,572,115</b>	<b>5,431,645</b>

**MINISTRY OF INDUSTRY, TRADE AND TOURISM**  
**APPROPRIATION STATEMENT**  
**FOR THE FINANCIAL PERIOD ENDED 31 JULY 2017**

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**Details of Appropriation Chnages**

The Ministry of Economy approved the following transfer of funds during the period

From	To	Amount (\$)
SEG 1	SEG 1	187,590
SEG 1	SEG 2	88,410

The Permanent Secretary for Ministry of Industry, Trade and Tourism approved the following Virements under delegation from the Minister of Economy:

From	To	Amount (\$)
SEG 3	SEG 7	5,000
SEG 4	SEG 3	8,159
SEG 4	SEG 4	2,000
SEG 4	SEG 8	1,602
SEG 5	SEG 4	5,000
SEG 5	SEG 5	3,000
SEG 5	SEG 7	7,980
SEG 7	SEG 4	200,000
SEG 7	SEG 5	1,000
SEG 7	SEG 6	1,335,542
SEG 7	SEG 7	781,959
SEG 7	SEG 8	29,108
SEG 13	SEG 13	19,640

**MINISTRY OF INDUSTRY, TRADE AND TOURISM**  
**STATEMENT OF LOSSES**  
**FOR THE FINANCIAL PERIOD ENDED 31 JULY 2017**

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**Losses of Money**

There was no loss of money recorded for the year ended 31 July 2017.

**Losses of Revenue**

There was no loss of revenue recorded for the year ended 31 July 2017.

**Losses of Assets (other than Money)**

Following the approval for write-off from Ministry of Economy, the Ministry of Industry, Trade and Tourism reported the loss of assets worth \$69,370 for the year ended 31 July 2017.

Asset Classifications	Amount (\$)	Remarks
Office Equipment	23,910	All assets were beyond repair
Furniture and Fittings	45,460	
<b>Total</b>	<b>69,370</b>	

MINISTRY OF INDUSTRY, TRADE AND TOURISM  
 CO-OPERATIVE TRUST ACCOUNT STATEMENT OF RECEIPTS AND PAYMENTS  
 FOR THE YEAR ENDED 31 JULY 2017

	Note	12 months 2017 \$	7 months 2016 \$
<b><u>RECEIPTS</u></b>			
<b>Cooperative Training Institute</b>			
Training Fees		25,770	4,900
Interest Received		902	466
		<u>26,672</u>	<u>5,366</u>
<b>National Cooperative Federation</b>			
Sales - Stationery		758	706
		<u>758</u>	<u>706</u>
<b>Total Receipts</b>		<u><b>27,430</b></u>	<u><b>6,072</b></u>
<b><u>PAYMENTS</u></b>			
<b>Cooperative Training Institute</b>			
Training Fees		5,710	-
Bank Charges		184	154
Interest paid to revenue		719	312
		<u>6,613</u>	<u>466</u>
<b>National Cooperative Federation</b>			
Stationery		16	1,329
FRCS		1,980	478
Refund		-	10
		<u>1,996</u>	<u>1,817</u>
<b>Total Payments</b>		<u><b>8,609</b></u>	<u><b>2,283</b></u>
<b>Net Surplus</b>		<b>18,821</b>	<b>3,789</b>
<b>Balance as at 1 August 2016</b>		74,556	70,767
<b>Closing Balance as at 31 July 2017</b>	4	<u><u>93,377</u></u>	<u><u>74,556</u></u>

MINISTRY OF INDUSTRY, TRADE AND TOURISM  
 INTEGRATED HUMAN RESOURCE DEVELOPMENT PROGRAMME ACCOUNT STATEMENT  
 OF RECEIPTS AND PAYMENTS  
 FOR THE YEAR ENDED 31 JULY 2017

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	Note	12 months 2017 \$	7 months 2016 \$
<b><u>RECEIPTS</u></b>			
Community Contributions		61,927	94,799
<b>Total Receipts</b>		<b><u>61,927</u></b>	<b><u>94,799</u></b>
<b><u>PAYMENTS</u></b>			
Fertiliser - Waimalua Ginger Project		-	86,673
Adjustment of Bank Charges		<u>39</u>	<u>-</u>
<b>Total Payments</b>		<b><u>39</u></b>	<b><u>86,673</u></b>
<b>Net Surplus</b>		<b>61,888</b>	<b>8,126</b>
<b>Balance as at 1 August 2016</b>		84,799	76,673
<b>Closing Balance as at 31 July 2017</b>	4	<b><u>146,687</u></b>	<b><u>84,799</u></b>

**MINISTRY OF INDUSTRY, TRADE AND TOURISM**  
**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 JULY 2017**

---

**NOTE 1: REPORTING ENTITY**

The Ministry of Industry, Trade and Tourism formulates and implements policies and strategies to facilitate growth in industry, investment, trade, co-operative businesses, micro and small enterprises; and enhance metrology, standards and consumer protection.

These roles and responsibilities are undertaken by the Economic Unit, Trade Unit, Department of Tourism, Department of National Trade Measurement and Standards, Department of Co-operative Business and Corporate Service Division, within the Ministry, including Trade Commissions in Taiwan, North America, China, Australia and Papua New Guinea. The Ministry is supported by seven (7) statutory organisations namely Consumer Council of Fiji, Fiji Commerce Commission, Investment Fiji, Film Fiji, Tourism Fiji, Real Estate Agents Licensing Board and National Centre for Small and Micro Enterprise Development.

**NOTE 2: STATEMENT OF ACCOUNTING POLICIES**

**a) Basis of Accounting**

In accordance with Government accounting policies, the financial statements of the Ministry of Industry, Trade and Tourism is prepared on cash basis of accounting. All payments related to purchase of fixed assets have been expensed.

The financial statements are presented in accordance with the Financial Management Act and the requirements of Section 71(1) of the Finance Instruction 2010 and the Finance (Amendment) Instructions 2016. The preparation and presentation of A Statement of Assets and Liabilities is not required under the current Government Policies, except for that of the Trade and Manufacturing Accounts.

**b) Accounting for Value Added Tax (VAT)**

All income and expenses are VAT exclusive. The Ministry on a monthly basis takes out VAT output on total money received for expenditure from Ministry of Economy. VAT input on the other hand is claimed on payments made to the suppliers and sub-contractors for expenses incurred.

The VAT payment as per the Statement of Revenue and Expenditure relates to the VAT input claimed on payments made to the suppliers and sub-contractors for expenses incurred and VAT payments to Fiji Revenue and Customs Services. Actual amount paid to Fiji Revenue and Customers Services during the year represents the difference between VAT Output and VAT Input.

**c) Comparative Figures**

The financial year end for Government was changed from 31 December to 31 July in accordance with the Financial Management Act. The financial statements for the period ended 2016 reflect a seven months period where as the financial statements for the year ended 2017 is for twelve months period.

**NOTE 3: SIGNIFICANT VARIATIONS**

For the purpose of comparison for the results of the seven (7) months covering January to July 2016, the corresponding result for the fiscal period can be pro-rated by dividing the respective figures by twelve (12) and multiplying by seven (7).

**NOTE 4: TRUST FUND ACCOUNT**

**Co-operative Trust Fund Account**

The Trust fund account was established to administer the training services delivered to co-operative members. The receipts consists of fees charged to trainees and payment relates to the operation of the training institutes.

As at 31 July 2017, there were funds amounting to \$93,377 in the Co-operative Trust account.

**Integrated Human Resource Development Programme (IHRDP) Trust Fund Account**

The integrated Human Resource Development Programme was endorsed by Government in 2000 to establish Income Generating Projects and to create decent employment. These small and medium economic activities are intended to generate and revitalize the local rural economies and thus enhancing the livelihood of rural communities, settlements and villages.

The administration of the account was transferred from Ministry of Economy (MOE) to the Ministry of Industry, Trade and Tourism in 2016/2017 financial year.

The receipts consist of one third (1/3) community's contribution towards the approved projects and the contribution are released when the projects are implemented.

As at 31 July 2017, there were funds amounting to \$146,687 in IHRDP Trust account.

## NOTES







MINISTRY OF  
INDUSTRY, TRADE  
AND TOURISM

Level 2 and 3  
Civic Tower, Victoria Parade, Suva