

# PACIFIC PRIVATE SECTOR DEVELOPMENT INITIATIVE (PSDI)

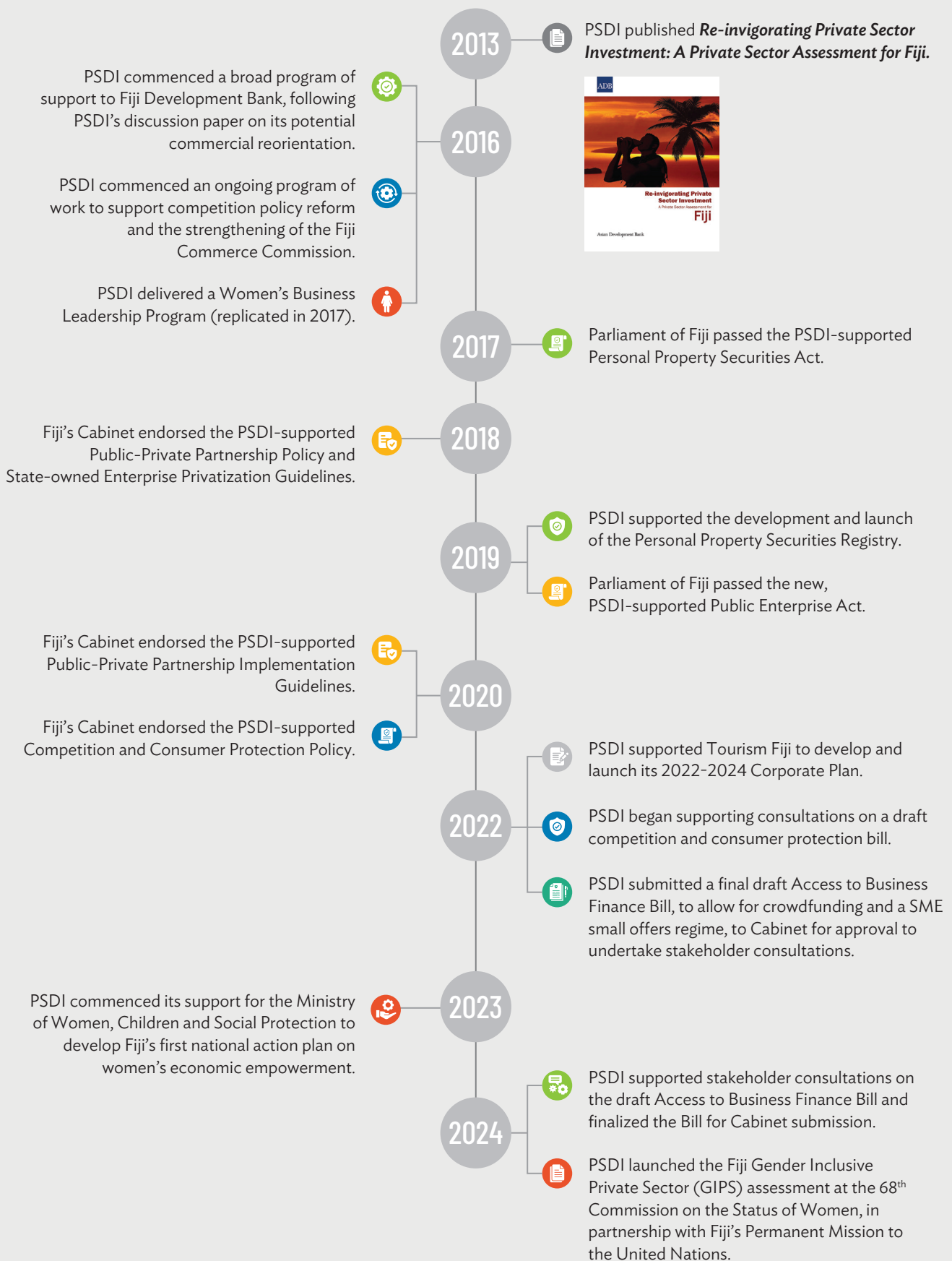
## FIJI

# COUNTRY OVERVIEW 2024

## IN FIJI, PSDI IS WORKING TO:

- Increase the availability of business financing through secured transactions collateral reforms, the deepening of capital markets, and the introduction of innovative financing products.
- Develop effective state-owned enterprise (SOE) policy and legislative reform and support SOE commercialization.
- Draft a National Competition and Consumer Protection Bill.
- Support a gender-inclusive private sector enabling environment.
- Support a sustainable and inclusive tourism sector.

# KEY PSDI ACTIVITIES AND OUTCOMES\*



\* PSDI resumed full engagement with the Government of Fiji following the elections of September 2014 and Fiji's return to democracy.

# FINANCING GROWTH

## OUTCOMES AND RESULTS

### SECURED TRANSACTIONS REFORM

**PSDI has worked to increase business access to finance in Fiji through the development and implementation of a secured transactions framework—which allows lenders to accept non-land (movable) assets as security—and by working with lending institutions to encourage its uptake.**

In Fiji, PSDI assisted the establishment of the Fiji Secured Transactions Task Force and supported the task force to develop a policy paper and prepare legislation, which passed parliament in September 2017. PSDI then provided full support for the procurement and implementation of a Personal Property Securities Registry, launched in May 2019. As at October 2023, more than 99,600 security interests have been registered in Fiji. In fiscal year<sup>1</sup> (FY) 2024, PSDI is supporting an impact evaluation of the secured transactions collateral reforms in Fiji.

### STRENGTHENING THE COMMERCIAL ORIENTATION OF FIJI DEVELOPMENT BANK

**Since FY2016, PSDI has worked closely with FDB as part of a regional program of support aimed at strengthening the operations of government-owned banks and enabling their commercial transformation.**

This support has included:

- reviewing the bank's policies on capital adequacy, liquidity risk management, market risk management, and operational risk management against the RBF's prudential standards for licensed credit institutions.
- working to strengthen FDB's risk management framework and integrate this risk management work with the bank's capital position, and to support FDB to review its organizational structure and processes, and better understand its risk tolerance. The new risk management framework was approved by the bank's board in 2019.
- supporting FDB to adopt a capital projections model for the bank. This work, which was completed in FY2023, allows (i) FDB to assess the impact of shocks on capital adequacy; and (ii) assumptions to be changed to test a range of scenarios, such as changing interest rates, borrowing, and write-off levels, in addition to macroeconomic factors such as gross domestic product. This will support the bank's planning, corporate and regulatory reporting, and risk management.
- continued engagement with the bank to support the development of agriculture value chain finance products.

### DEEPENING CAPITAL MARKETS

**PSDI is working to deepen Fiji's capital markets with a view to improving access to long-term business finance.**

PSDI is supporting the RBF—in its role as secretariat for the Capital Markets Development Task Force—to further the development of Fijian capital markets.

Completed work has included providing in FY2016 an initial diagnostic and report on the existing legal framework for capital raising and the potential for new capital market products for small businesses. The diagnostic was more recently updated to include other alternative financing instruments beyond equity crowdfunding and peer-to-peer lending, such as small offers regimes for SMEs.

### GENDER-INCLUSIVE FINANCE

**PSDI undertook a supply side study of the issues facing women and women-owned business in accessing finance in Fiji.**

This study included the issues women faced in engaging with banks and finance companies, as well as legal, regulatory, and infrastructure-related barriers. PSDI provided the diagnostic to the RBF as the foundational work to inform the development of a roadmap for improving gender-inclusive finance across the country. In FY2024, PSDI is engaged in an advisory capacity in the development of the roadmap

## ONGOING AND FUTURE WORK

### MOVABLE ASSET FINANCE PRODUCT DEVELOPMENT

**Since implementation of the secured transactions collateral reforms, PSDI has worked closely with Fijian financial institutions to raise awareness of the reform and the opportunities it provides to broaden the suite of financing products available for businesses.**

This includes through the preparation of several agri-value chain financing product concepts for Fiji Development Bank (FDB). FDB began implementing these concepts in FY2021, starting with products for the rice sector and expanding into dairy, ginger, and other consumables.

In FY2024, PSDI is working with a Fijian financing company to help develop the first receivables finance or factoring product in the Pacific. This work will inform engagement with other banks and finance companies both in Fiji and the region, and provide a demonstration effect to help spur further innovation.

In cooperation with FDB, the Fiji Bureau of Statistics, and the RBF, PSDI is now working to undertake an impact evaluation of the secured transactions reforms in Fiji. A baseline survey was undertaken in FY2023, and the evaluation is underway in FY2024.

### SUPPORTING ACCESS TO FINANCE SMALL AND MEDIUM-SIZED ENTERPRISES

**PSDI is working to improve access to business finance.**

PSDI is supporting the Ministry of Trade, Co-operatives and SMEs and the RBF to develop an Access to Business Finance Bill. The Bill was submitted to the Cabinet for approval to undertake stakeholder consultations in FY2023. Public consultations were held in February 2024 and the Bill was approved by Cabinet for submission to Parliament in April 2023. PSDI will continue to support the Bill's passage and implementation.

<sup>1</sup> This fact sheet reports on activities in Australian fiscal years, which run from 1 July to 30 June. For example, FY2016 refers to the period from 1 July 2015 to 30 June 2016.

# STATE-OWNED ENTERPRISE REFORM AND PUBLIC PRIVATE PARTNERSHIPS

## OUTCOMES AND RESULTS

### PUBLIC ENTERPRISE REFORM

PSDI has supported the development of a suite of new legislation, policies, and guidelines for Fiji's Ministry of Public Enterprise (MPE).

PSDI supported the drafting of a public enterprise bill—passed by parliament in May 2019—to strengthen governance, accountability, transparency, and the commercial mandate of SOEs. PSDI also provided ongoing support to the implementation of the act, including the development of a Code of Corporate Governance, director remuneration guidelines, and guidelines on the establishment of public enterprises.

### PRIVATIZATION AND PUBLIC-PRIVATE PARTNERSHIP (PPP) SUPPORT

PSDI has supported the development of a range of guidelines and policies for PPPs and privatizations in Fiji.

This support has included:

- support for the drafting of SOE privatization guidelines and a PPP Policy, which received Cabinet endorsement in late 2017. The PPP Policy was published by the Ministry of Economy in late 2019, and replaced the PPP Act, which was repealed in July 2016. The new policy creates a more investor-friendly regime for structuring and implementing PPP contracts.
- the drafting of PPP implementation guidelines, which were endorsed by the Cabinet of Fiji and published in April 2020.

## CURRENT AND FUTURE PROJECTS

### COMMERCIALIZATION OF THE WATER AUTHORITY OF FIJI

Following a request from the Ministry of Finance and the Water Authority of Fiji (WAF), PSDI is supporting the development of a roadmap to improve the quality and reach of water and wastewater services in Fiji, and establish financial sustainability for WAF.

In FY2023, PSDI conducted an initial diagnostic of the key constraints to placing WAF on a sustainable commercial footing. The report found that corporatization, followed by commercialization, would be necessary for WAF to achieve financial sustainability. The recommendations from the report have been endorsed by key stakeholders, including the MPE, Ministry of Finance, and WAF management.

# COMPETITION AND CONSUMER PROTECTION

## OUTCOMES, RESULTS, AND FUTURE PROJECTS

### STRENGTHENING COMPETITION POLICY AND INSTITUTIONS

At the request of the Government of Fiji, PSDI has supported a number of areas of competition policy and law reform, primarily with the Fiji Competition and Consumer Commission (FCCC).

This support has included development of the FCCC Strategic Plan 2017–2021; a FY2017 review of the Commerce Commission Law and submission of reform recommendations to the FCCC and the Solicitor General's Office; and support for the FCCC and the Ministry of Industry, Trade and Tourism to develop the Fijian Competition and Consumer Protection Policy, endorsed by the Cabinet of Fiji in April 2020. An important part of this work was the implementation of recommendations outlined in the National Competition and Consumer Protection Policy. PSDI's support for the implementation of the Fijian Competition and Consumer Protection Policy includes the drafting of a Competition and Consumer Protection Bill.

In FY2024, PSDI is supporting the development of the FCCC Strategic Plan 2024–2029. PSDI also undertook an evaluation of the capabilities of the FCCC in FY2023, at the FCCC's request. Findings and recommendations were submitted to the FCCC, and PSDI will commence the rollout of a capacity building training program for FCCC in FY2024.

### COMPETITION AND CONSUMER PROTECTION LEGISLATION

PSDI is supporting the implementation of the Fijian Competition and Consumer Protection Policy, including drafting of a competition and consumer protection bill.

The bill is progressing internally.



Fiji shopkeeper

# ECONOMIC EMPOWERMENT OF WOMEN

## OUTCOMES AND RESULTS

### ANALYSIS AND ADVOCACY

**PSDI has provided analysis and advocacy for increasing women in business leadership.**

In FY2021, PSDI published *Leadership Matters: Benchmarking Women in Business Leadership*. The Leadership Matters report found the proportion of Fiji businesses with women board chairs, at 12%, was higher than the Pacific average, while the proportion of women board directors (20%) and chief executive officers (10%) in Fiji lagged the regional average. A new Leadership Matters study was published in July 2024. It found that Fiji's representation of women as board directors (25%) and chief executive officers (20%) had grown, the representation of women as board chairs (11%) had declined, and Fiji now lags the regional average on all measures.

PSDI has also completed a Gender Inclusive Private Sector Framework assessment for Fiji. The framework was launched in partnership with the Government of Fiji's Permanent Mission to the United Nations at the 68<sup>th</sup> Commission on the Status of Women in New York. The findings were validated through workshops with government, private sector, and civil society stakeholders, and will inform advocacy and reform. In remarks recorded for the launch of the framework, Fiji's Minister for Women, Children, and Social Protection, Hon. Lynda Tabuya, emphasized that "this framework and its accompanying report will critically inform the development of Fiji's first and upcoming Women's Economic Empowerment National Action Plan for 2024-2029".

## ONGOING AND FUTURE PROJECTS

### NATIONAL ACTION PLAN FOR WOMEN'S ECONOMIC EMPOWERMENT

**PSDI is supporting the Ministry of Women, Children and Social Protection to develop Fiji's first national action plan on women's economic empowerment.**

This included the development and facilitation of a two-day consultation workshop that took place in April 2023. The Ministry of Women, Children and Social Protection have now established a secretariat, of which PSDI is a member, to oversee the development of the action plan.

### REPRESENTATION OF WOMEN IN LEADERSHIP

**PSDI is partnering with the Fiji Institute of Chartered Accountants (FICA) to deliver a Women's Senior Executive Training Program to equip businesswomen with the skills, networks, experience, and professional brand they need to take on senior leadership and board positions.**

The first training program was delivered by FICA in July 2024 and covered topics including risk management, resilience, organizational culture, governance, and financial management.

### SUPPORTING WOMEN IN TOURISM

**PSDI is undertaking a series of case studies to better understand the role and barriers for women in the tourism informal economy in Fiji.**

The research will inform a report, to be published in late-2024, profiling women owned and led tourism businesses operating in the informal economy, identifying their key challenges, and offering recommendations for supporting businesses in this sector. The report will be the second in PSDI's informal economy series, following the 2023 publication of *Invisible Hands: Enabling Pacific Women in the Informal Economy*.



Fiji vegetable sellers

# SUSTAINABLE TOURISM

## OUTCOMES AND RESULTS

### SUSTAINABLE TOURISM PLANNING

**PSDI is working with the Ministry of Tourism and Civil Aviation and Tourism Fiji to support plans for a more sustainable and inclusive tourism sector in Fiji, in support of an evidence-based approach to measuring the value of the tourism sector and its benefits to Fiji's economy and culture.**

PSDI worked with Tourism Fiji to develop and launch the Tourism Fiji 2022-2024 Corporate Plan. The plan looked at recovery from COVID-19 and opportunities to develop a more sustainable and inclusive sector. In FY2024, PSDI will support Tourism Fiji to develop and launch their new Corporate Plan 2025-2027.

In FY2023, PSDI was an active member of the steering committee for Fiji's new National Sustainable Tourism Framework, led by the Ministry of Tourism and Civil Aviation and supported by the International Finance Corporation.

Additionally, PSDI supported a regional gender audit of Pacific Tourism Organisation (SPTO) members—including Tourism Fiji—in FY2023 to assess the extent to which women are considered in tourism planning and highlight opportunities to improve women's experiences in the tourism workforce. The early findings were shared at the SPTO board meetings in Tahiti in late 2023, and with participating organizations.

In early FY2024, PSDI developed a tourism assessment of eight potential sites in Fiji for piloting a coral reef insurance product in support of a larger ADB project funded by the Asia-Pacific Climate Finance Fund and the Global Environment Facility, Building Coastal Resilience through Nature-Based and Integrated Solutions.

## ONGOING AND FUTURE PROJECTS

### UNDERSTANDING WOMEN IN THE INFORMAL ECONOMY IN TOURISM

**PSDI is working to understand the role and barriers for women in the tourism informal economy in Fiji.**

PSDI is undertaking a series of case studies looking at women who are informally employed by or in tourism sites, such as cleaners, babysitters, or cultural performers; women who operate informal businesses and sell some or all of their services, produce, or handicrafts to tourists or tourism sites; and women undertaking other informal activities in locations with significant tourism economies. The study aims to understand how women in the informal economy participate in the tourism economy and the barriers and enablers to participation, in addition to determining potential policy settings and programs that could increase opportunities for women in the informal economy to participate in tourism.

## SUPPORTING FIJI TOURISM DEVELOPMENT

**PSDI is conducting a study on tourism growth in the Yasawa Islands.**

The study aims to identify the pre-conditions and optimal sequencing of investments for successful destination development as well as lessons and opportunities for emerging destinations in Fiji and more broadly across the Pacific.



Yachting tourism in Fiji




# ANALYTICAL WORK

- 2024: Comprehensive data on women's leadership in business in Fiji was included in PSDI's study, *Leadership Matters 2024: Benchmarking Women in Business Leadership in the Pacific*, the second iteration of PSDI's Leadership Matters series which measures progress in women's business leadership in the Pacific. PSDI published the first iteration in 2021.
- 2024: An analysis of the opportunity for Fiji to introduce Innovative Financing Mechanisms, such as crowdfunding and small scale offers regimes, was explored in the 2024 policy paper, *Innovative Financing Mechanisms in the Pacific*. This is closely linked to the recent Cabinet approval of the Access to Business Finance Bill, which provides the legislative underpinnings for such mechanisms.
- 2024: PSDI published a *Gender Inclusive Private Sector (GIPS) Framework* country assessment of Fiji in March 2024. PSDI's GIPS Framework serves as a practical checklist for Pacific governments and institutions to measure progress and identify areas where further improvements are needed. The Fiji country assessment is being used by the Ministry of Women, Children and Social Protection as an input into the National Action Plan on Women's Economic Empowerment.
- 2023: Fiji participated in the 2023 regional SOE benchmarking study, *Finding Balance 2023: Benchmarking Performance and Building Climate Resilience in Pacific State-Owned Enterprises*. Fiji also participated in PSDI's 2009, 2011, 2014, 2016, and 2019 Finding Balance studies.

- 2021: PSDI published a *tourism sector snapshot* for, surveying the Fijian tourism sector pre-COVID-19 and identifying new and existing challenges and opportunities for the tourism industry.
- 2013: PSDI published *Re-invigorating Private Sector Investment: A Private Sector Assessment for Fiji*.
- Fiji was also included in:
  - » 2023: PSDI report, *Invisible Hands: Enabling Pacific Women in the Informal Economy*.
  - » 2022: PSDI's policy brief, *State-Owned Enterprises: Board Nomination Practices in the Pacific*.
  - » 2022: PSDI report, *A Secure Retirement: Leveling the Playing Field for Women in the Pacific*.
  - » 2021: PSDI's regional tourism assessment, *Looking Forward Vol. 1: Evaluating the Challenges for Pacific Tourism After COVID-19*.
  - » 2020: PSDI's Pacific finance sector policy paper, *Pacific Retirement Funds: Anchoring Social Protection in Good Finance*.
  - » 2020: PSDI's Pacific finance sector policy paper, *Government-Owned Banks: Their Role in Pacific Financial Systems*.
  - » 2018: PSDI's brief on tourism trends in the region, *Tourism as a Driver of Growth in the Pacific*.

Pacific Private Sector Development Initiative  
Asian Development Bank  
Pacific Liaison and Coordination Office  
Level 20, 45 Clarence St, Sydney 2000 Australia

Ph: +61 2 8270 9444  
Fax: +61 2 8270 9445

 /adbpsdi  
 @ADB\_Sydney\_PSDI  
 @ADB\_Pacific\_PSDI

[www.pacificpsdi.org](http://www.pacificpsdi.org)  
[publications@pacificpsdi.org](mailto:publications@pacificpsdi.org)