# Abbreviations

<table>
<thead>
<tr>
<th>Abbreviation</th>
<th>Description</th>
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<tbody>
<tr>
<td>ADB</td>
<td>Asian Development Bank</td>
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<tr>
<td>ADR</td>
<td>Alternative Dispute Resolution</td>
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<td>ALP</td>
<td>Alternative Livelihood Project</td>
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<tr>
<td>ALTA</td>
<td>Agricultural Landlord and Tenant Act</td>
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<td>AMA</td>
<td>Agriculture Marketing Authority</td>
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<td>ASA</td>
<td>Air Services Agreement</td>
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<td>BFHI</td>
<td>Baby Friendly Hospital Initiatives</td>
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<td>BNPL</td>
<td>Basic Needs Poverty Line</td>
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<td>BQA</td>
<td>Bilateral Quarantine Agreements</td>
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<td>CAAFI</td>
<td>Civil Aviation Authority of the Fiji Islands</td>
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<td>CFB</td>
<td>Customary Fisheries Bill</td>
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<td>CFC</td>
<td>Chlorofluorocarbons</td>
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<td>CHARM</td>
<td>Comprehensive Hazard and Risk Management</td>
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<td>CID</td>
<td>Criminal Investigations Division</td>
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<tr>
<td>CIDA</td>
<td>Coconut Industry Development Authority</td>
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<tr>
<td>CITES</td>
<td>Convention on International Trade in Endangered Species of Wild Fauna and Flora</td>
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<td>CMDA</td>
<td>Capital Markets Development Authority</td>
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<tr>
<td>CO2</td>
<td>Carbon Dioxide</td>
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<td>COIFS</td>
<td>Commission of Inquiry into Financial Services</td>
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<td>DNR</td>
<td>Department of National Roads</td>
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<td>DPP</td>
<td>Director of Public Prosecutions</td>
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<td>EEO</td>
<td>Equal Employment Opportunity</td>
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<td>EEZ</td>
<td>Exclusive Economic Zone</td>
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<td>EFF</td>
<td>Export Finance Facility</td>
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<td>EGM</td>
<td>Emperor Gold Mining Company Limited</td>
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<td>EIA</td>
<td>Environmental Impact Assessment</td>
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<td>EMA</td>
<td>Environment Management Act</td>
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<td>ERB</td>
<td>Employment Relations Bill</td>
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<td>EU</td>
<td>European Union</td>
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<td>FASANOC</td>
<td>Fiji Association of Sports and National Olympic Committee</td>
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<td>FDB</td>
<td>Fiji Development Bank</td>
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<td>FDI</td>
<td>Foreign Direct Investment</td>
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<td>FEA</td>
<td>Fiji Electricity Authority</td>
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<td>FHCL</td>
<td>Fiji Hardwood Corporation Limited</td>
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<td>FIC</td>
<td>Forum Island Country</td>
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<td>FICL</td>
<td>Fiji Investment Corporation Limited</td>
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<td>FIMSA</td>
<td>Fiji Islands Maritime Safety Administration</td>
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<td>FIRCA</td>
<td>Fiji Islands Revenue and Customs Authority</td>
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<td>FIT</td>
<td>Fiji Institute of Technology</td>
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<td>FIU</td>
<td>Financial Intelligence Unit</td>
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<td>FMF</td>
<td>Flour Mills of Fiji</td>
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<td>Acronym</td>
<td>Full Form</td>
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<td>FNPF</td>
<td>Fiji National Provident Fund</td>
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<td>FSAP</td>
<td>Financial Sector Assessment Programme</td>
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<td>FSC</td>
<td>Fiji Sugar Corporation</td>
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<td>FSFE</td>
<td>Fiji Seventh Form Examination</td>
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<td>FSLC</td>
<td>Fiji School Leaving Certificate</td>
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<td>FSMed</td>
<td>Fiji School of Medicine</td>
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<td>FSN</td>
<td>Fiji School of Nursing</td>
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<td>FTIB</td>
<td>Fiji Islands Trade and Investment Bureau</td>
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<td>FTR</td>
<td>Financial Transactions Reporting</td>
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<td>FVB</td>
<td>Fiji Visitors Bureau</td>
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<td>GDP</td>
<td>Gross Domestic Product</td>
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<td>GEM</td>
<td>Gender Empowerment Measure</td>
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<td>GWh</td>
<td>Gega Watts per hour</td>
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<td>HA</td>
<td>Housing Authority</td>
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<td>HACCP</td>
<td>Hazard Analysis and Critical Control Point</td>
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<td>HART</td>
<td>Housing Assistance Relief Trust</td>
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<td>HIES</td>
<td>Household Income Expenditure Survey</td>
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<td>HRIS</td>
<td>Human Resource Management Information System</td>
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<td>ICAO</td>
<td>International Civil Aviation Organization</td>
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<td>ICT</td>
<td>Information &amp; Communication Technology</td>
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<td>IHR</td>
<td>International Health Regulation</td>
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<td>IHRRDPEP</td>
<td>Integrated Human Resource Development Programme for Employment Promotion</td>
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<td>ILO</td>
<td>International Labour Organization</td>
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<td>IMCI</td>
<td>Integrated Management of Childhood Illnesses</td>
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<td>IPP</td>
<td>Independent Power Producers</td>
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<td>IRB</td>
<td>International Rugby Board</td>
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<td>ISO</td>
<td>International Organisation for Standardisation</td>
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<td>ISPS</td>
<td>International Ships and Ports Authority</td>
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<td>IT</td>
<td>Information Technology</td>
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<td>ITC</td>
<td>Information Technology &amp; Computing</td>
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<td>KM</td>
<td>kilometres</td>
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<td>KPI</td>
<td>Key Performance Indicator</td>
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<td>LNG</td>
<td>Liquefied Natural Gas</td>
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<td>LPG</td>
<td>Liquefied Petroleum Gas</td>
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<td>LTA</td>
<td>Land Transport Authority</td>
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<td>MoA</td>
<td>Ministry of Agriculture</td>
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<td>MDG</td>
<td>Millennium Development Goal</td>
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<td>MFI</td>
<td>Micro-finance Institutions</td>
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<td>MLA</td>
<td>Mutual Legal Assistance</td>
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<td>MoE</td>
<td>Ministry of Environment</td>
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<td>MoH</td>
<td>Ministry of Health</td>
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<td>MPA</td>
<td>Marine Protected Areas</td>
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<td>MSME</td>
<td>Micro, Small and Medium Enterprises</td>
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<td>Abbreviation</td>
<td>Full Form</td>
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<tr>
<td>MT</td>
<td>metric tonnes</td>
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<td>NAS</td>
<td>National Adaptation Strategy</td>
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<td>NCCC</td>
<td>National Coordinating Committee on Children</td>
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<td>NCD</td>
<td>Non Communicable Diseases</td>
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<td>NEC</td>
<td>National Environment Council</td>
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<td>NEP</td>
<td>National Energy Policy</td>
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<td>NGO</td>
<td>Non Governmental Organizations</td>
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<td>NLTB</td>
<td>Native Lands Trust Board</td>
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<td>NRSC</td>
<td>National Road Safety Council</td>
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<td>NCSMED</td>
<td>National Center for Small &amp; Micro Enterprise Development</td>
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<td>NSFC</td>
<td>National Sports Funding Commission</td>
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<td>NSP</td>
<td>National Sports Policy</td>
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<td>NZ</td>
<td>New Zealand</td>
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<td>ODS</td>
<td>Ozone Depleting Substances</td>
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<td>OHSA</td>
<td>Occupational Health and Safety Act</td>
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<tr>
<td>PACER</td>
<td>Pacific Agreement on Closer Economic Relations</td>
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<td>PALP</td>
<td>Pacific Anti-Money Laundering Programme</td>
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<td>PDCs</td>
<td>Provincial Development Committees</td>
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<td>PIB</td>
<td>Prices and Incomes Board</td>
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<td>PICTA</td>
<td>Pacific Islands Countries Trade Agreement</td>
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<td>PMTCT</td>
<td>Prevention of Maternal To Child Transmission</td>
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<td>PPP</td>
<td>Public Private Partnership</td>
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<td>PRB</td>
<td>Public Rental Board</td>
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<td>PSIP</td>
<td>Public Sector Investment Programme</td>
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<td>RBF</td>
<td>Reserve Bank of Fiji</td>
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<td>RFMF</td>
<td>Republic of Fiji Military Forces</td>
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<td>ROI</td>
<td>Rural and Outer Island</td>
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<td>RTGS</td>
<td>Real Time Gross Settlement</td>
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<tr>
<td>SCARF</td>
<td>Seed Capital Revolving Fund</td>
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<td>SCGC</td>
<td>Sugar Cane Growers Council</td>
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<td>SME</td>
<td>Small and Medium Enterprise</td>
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<tr>
<td>SMME</td>
<td>Small, Medium and Micro Enterprises</td>
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<tr>
<td>SOPAC</td>
<td>South Pacific Applied Geo-science Commission</td>
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<tr>
<td>SPARTECA</td>
<td>South Pacific Regional Trade and Economic Cooperation Agreement</td>
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<tr>
<td>SRU</td>
<td>Squatter Resettlement Unit</td>
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<tr>
<td>TAC</td>
<td>Total Allowable Catch</td>
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<tr>
<td>TCF</td>
<td>Textile, Clothing and Footwear</td>
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<tr>
<td>TCTS</td>
<td>Tonnes of Cane per Ton of Sugar</td>
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<td>TPAF</td>
<td>Training Productivity Authority of Fiji</td>
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<td>TVET</td>
<td>Technical and Vocational Education and Training</td>
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<td>UGMP</td>
<td>Urban Growth Management Plan</td>
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<tr>
<td>UN</td>
<td>United Nations</td>
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<td>UNCEDAW</td>
<td>United Nation Convention on the Elimination of All Forms of Discrimination Against Women</td>
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<td>Acronym</td>
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<tr>
<td>UNCRC</td>
<td>United Nations Convention of the Rights of the Children</td>
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<td>UNDP</td>
<td>United Nations Development Programme</td>
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<td>UPAP</td>
<td>Urban Policy Action Plan</td>
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<td>USP</td>
<td>University of the South Pacific</td>
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<tr>
<td>VCCT</td>
<td>Voluntary Counselling and Confidential Testing</td>
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<tr>
<td>WHO</td>
<td>World Health Organization</td>
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<td>WNC</td>
<td>World Netball Championships</td>
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<td>WOSED</td>
<td>Women's Socio-Economic Development</td>
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<td>WSSD</td>
<td>World Summit on Sustainable Development</td>
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<td>WTO</td>
<td>World Trade Organisation</td>
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Executive Summary

The Roadmap for Democracy and Sustainable Socio-economic Development (RDSSED) 2009-2014 sets out a framework to achieve sustainable democracy, good and just governance, socio-economic development and national unity. The key foundation of the Roadmap is the Peoples Charter for Change Peace and Progress (PCCPP) which was compiled through an unprecedented nationwide consultation process, involving a wide range of stakeholders. The Roadmap is logically aligned to the mandate handed down by His Excellency, the President in 2007, as well as the Strategic Framework for Change announced by the Prime Minister on 1st July 2009.

In order to ensure an inclusive approach, ownership and successful implementation, the Roadmap has been compiled in consultation with private sector, civil society and government to take on board the current political, social and economic situation, both on the international and domestic fronts.

The vision of the Roadmap together with the Mission and Guiding Principles are described in Chapter 1. Chapter two reviews governance issues and challenges and sets out the policies, strategies and key performance indicators. Similarly, reviews and policies, strategies and key performance indicators for economic and socio-cultural development are addressed in chapters 3 and 4 respectively. The final Chapter, Chapter 5, establishes the implementation and monitoring framework.

Vision, Mission and Guiding Principles

The objective of the Roadmap is to implement policies to achieve the Vision of “A Better Fiji for All” which is consistent with the Peoples Charter. To achieve this vision, the overarching objective is to rebuild Fiji into a non-racial, culturally vibrant and united, well governed, truly democratic nation that seeks progress and prosperity through merit-based equality of opportunity and peace.

Strengthening Good Governance

Fiji needs to entrench a culture of democratic good governance such that it becomes the dominant political thinking and behaviour of the people of Fiji. Principles of good governance need to be applied to both the formal governance framework, to the institutions within it, and to how the country is governed on a daily basis in terms of policy formulation and decision making. The United Nations Economic and Social Commission for Asia and the Pacific (ESCAP), and several other UN bodies, describe good governance as having eight major characteristics. It is participatory, consensus oriented, accountable, transparent, responsive, effective and efficient, equitable and inclusive, and follows the rule of law. It assures that corruption is minimised; the views of minorities are taken into account; and that the voices of the most vulnerable in society are heard in decision-making. It is also responsive to the present and future needs of society.

A major short term priority of Government is to formulate a new Constitution. Following the appeals court ruling, His Excellency the President abrogated Fiji’s
Constitution on the 10th of April 2009. In order to maintain continuity in the implementation of the mandate handed down to the Government in January 2007 for an equal, just and fair Fiji, reappointed the Interim Government. The State is now re-established under Presidential Decrees, which continues to respect the independence of the judiciary and accountability institutions and the operation of other key arms of the State.

Fiji’s single member (majority) electoral system, which has been in place since Independence in 1970 and has always provided for communal representation. Besides the excessive use of communal or reserved representation in violation of basic human rights principles, this electoral and voting system is unfair due to the:

- lack of equal suffrage given the disproportional number of voters between single member constituencies;
- use of preferences producing results that do not accurately reflect the will of the people, as evidenced by the lack of representation for certain political parties who have received a fair proportion of first preference votes;
- communal voting and representation using a single member constituency or majority/plurality electoral system has also made it impossible to encourage a move away from race-based politics as political parties only need to appeal to specific ethnic interests to secure seats; and
- the complexity of the current system requires a high level of literacy, which has led to an unusually high proportion of invalid votes (9% in 1999, 12% in 2001, and 9% in 2006).

The accountability framework comprises the institutions and processes that exist to ensure open and transparent Government. It involves the operations of many state institutions namely, Parliament, through its committee system and other processes, and independent institutions like the Auditor-General, Fiji Human Rights Commission (FHRC) and the Fiji Independent Commission Against Corruption (FICAC). A key function for many of these institutions is to hold Government to account for its actions; a necessary step in maintaining public confidence in the system.

The effectiveness of Government’s internal processes to ensure enforcement of the public service code of conduct and compliance with financial rules and regulations is another key component of the accountability framework. It also requires commitment to allowing the public to access public information and independent enforcement of conduct standards for holders of high public office. A free and independent media and the work of non-government and civil society organisations are also a vital part of the accountability framework.

Public perception is that there is little or no accountability for public officials, from holders of high public office to ordinary civil servants, who behave improperly. In the absence of accountability, people are unable to ensure that their Government acts wisely, lawfully and fairly in serving the national interest. Accountability issues are continually raised in the Annual Audit Reports of the Auditor-General on the public accounts of the State and Local Government bodies and by the media.
Fiji’s national security concerns encompass a broad range of areas including protecting the country’s sovereignty from attack, ending the cycle of coups and maintaining law and order. It also encompasses Fiji’s interests in protecting its tourism industry or offshore environment; border security; protective security; emergency management and effective coordination of disaster relief. Essentially the functions of security agencies are interlinked. Effectively addressing these areas provides the platform for peace and stability that is vital for socio-economic growth and national development.

The effectiveness of the Law and Justice Sector in part depends on the ability of the different institutions to operate together in a coherent, coordinated and mutually supportive way. In a technical sense, the Law and Justice Sector is operating reasonably well. In many areas of the legal system where significant problems existed a few years ago, progress has been or is being made. The Australia/Fiji Law and Justice Programme was starting to achieve modest successes in improving the operation of different institutions in the sector, including smoothing out the operation of the criminal justice system and overcoming delays in prosecutions, reduce case back logs; improve the treatment of juvenile offenders; to expand access to legal aid; and to establish a Family Court and associated counselling service, and community policing.

The Public Service remains the key institution for the implementation of Government’s visions and policies including its plans and programmes. Its performance, professionalism, productivity, accountability, cost and commitment have been heavily criticised in recent years. The current consensus is thus that PSR matters a great deal for national development, and in at least two ways: first, it will lead to better delivery of the basic public services that affect the living standards of the poor; and second, it will create a climate conducive to private sector development.

Coordination of all development efforts at the local level remain fragmented and ineffective resulting in duplication and wastage. Enhancement of development cooperation will directly contribute to rural development and revitalization of economic activities resulting in growth, and limiting rural-urban drift.

Addressing the issue of leadership is of great importance to the future of the country. At all levels, the type of leadership in Fiji is seen as a contributing factor to many of the country’s problems. Leadership at the national level has always been a subject of debate. One point of view is that the style of political leadership in Fiji has, and continues to be, dominated by ethnic issues solely focused on protecting the interests of one’s own ethnic community. The need for Fiji’s leaders to display selflessness is a major challenge – that is, to lead for the common good and not through self-interest.

**Strategic Priorities for Good Governance**

The formulation of a new Constitution, one which is fair and just and provides a solid foundation and framework for the rebuilding of our nation in accord with the vision and principles of the Peoples Charter, is critical for Fiji. To ensure ownership of the Constitution, a participatory process will be undertaken, involving the political parties, civil society, non-government organizations, and citizens of Fiji. The new Constitution will recognise the basic
constitutional principles, which have existed in Fiji since independence such as sovereignty, parliamentary democracy, the separation of powers and the protection of basic human rights under a Bill of Rights and supremacy of the rule of law. Government will also ensure that the underlying principles of the Peoples Charter in particular the principle of equal opportunity and equality under the law for all citizens regardless of race, gender or circumstance in all areas of Government and society are also recognised. To ensure public confidence the new Constitution will include major reforms under the Peoples Charter including:

i. adoption of an Open List Proportional Representation electoral and voting system;
ii. adoption of the common name “Fijian” for all citizens and to change the official name of the country to “Fiji”;
iii. enhancing and clarifying the role of the military and the country’s national security framework;
iv. stronger protections for the application of the Bill of Rights such as adoption of CEDAW definitions for discrimination against women and the girl-child; and
v. proposals to strengthen the operation of state services and the accountability framework.

Our electoral process will be reviewed to promote racial tolerance and unity and eliminate ethnic-based politics, a serious impediment to national development. Necessary steps will be taken to formulate the appropriate constitutional and legal framework to facilitate the adoption of the country’s electoral and parliamentary system under the new Constitution in 2012. Further ancillary issues to be addressed include: the size and composition of Parliament; compulsory voting; the voting age; eligibility of candidates; residency restrictions on the right to vote; electoral rules and regulations to ensure a free and fair general election; and strengthening the capacity of electoral administration bodies.

Government’s commitment to the maintenance of law and order will continue. Measures will be implemented to strengthen the independence and accountability of the judiciary. This involves the adoption and enforcement of conduct standards for judges, magistrates and other judicial officers will be carried out in accordance with the Administration of Justice Decree 2009. The police force shall be strengthened with upgrading of communications, transport and forensic tools. Government recognizes that policing is important to also instill public and investor confidence. As part of the reforms the archaic Penal Code shall also be revamped.

Accountable and transparent process of government as the hallmark of effective sustainable democratic governance will be a goal that Fiji will aspire to achieve in the medium and long term. It is therefore imperative that relevant governance systems, structures and institutions are strengthened whilst at the same time ensuring the maintenance of law and order. This will be addressed through the provision of adequate resources and capacity building initiatives to ensure the effectiveness of the various governance
frameworks. Freedom of Information legislation will be decreed to enhance transparency and wider access to the public of government information.

**Ensuring Effective, Enlightened and Accountable Leadership**

Effective and visionary leadership is critical for Fiji. We need leaders with progressive vision that is uplifting, motivating, inspiring and most importantly unifying. Leadership training and development at all levels will be a priority so that good leadership is realized sooner than later. Women and youth leadership will also be strengthened. Conduct of public leaders including parliamentarians and other category of leaders will be addressed through the enforcement of Code of Conduct legislation. Leadership models with clearly defined legitimate roles of elected and non-elected leaders will also be developed and implemented. The active promotion of sound values and ethics, including honesty, fair play, respect, dedication to cause, and the need to work hard to earn a living, particularly in young people will assist to build integrity among the future generation of leaders.

**Enhancing Public Sector Efficiency, Effectiveness and Service Delivery**

As a result of the reform programmes, the public service must become efficient and effective in both capacity and performance in the 21st Century in order to meet the needs of the people in the most cost effective way. It will instill a new performance and service-oriented culture – one that values high productivity, smarter and effective work systems and enforces merit based appointments. It will be lean and accountable to those that it serves. The well being and good governance of the indigenous population will be addressed through the implementation of good governance practices in indigenous institutions.

**Developing an Integrated Development Structure at Divisional Level**

Integration of i-taukei development interests into national development plans and programmes, and the devolution of decision making powers to the divisional levels will be pursued. Partnerships with Non Government and Community Based Organizations (CBOs) Organizations will be strengthened to complement Government’s outreach programmes and projects. These are critical to ensure local participation and to improve delivery of development programmes to raise living standards of people in the rural areas. This will assist communities in identifying resources and formulate community development plans directed at income generating skills and initiatives that maximize the returns from available resources.

**Economic Development**

The world economy has performed relatively well between 2001 and 2007 with exceptional performance from emerging markets such as Russia, China and India for some time. However, since the second half of 2008, the global economy started slowing down which eventually led to a recession towards the end of the year, spilling over to 2009.

Economic activity in Fiji has remained relatively weak since 2001 averaging only 1.2 percent growth until 2008. The sluggish growth in recent history has largely been a result of underperforming exports, declining remittances, lower tourism receipts, reduced investment levels and increasing imports which have affected Fiji’s foreign reserve and balance of payments position.
The financial and economic recession experienced worldwide, compounded by high occurrence of natural disasters and flash floods and our vulnerability have adversely affected Fiji’s economy causing below par performance. A contraction of 0.3 percent is expected in 2009 with modest recovery projected for the medium term.

The Reserve Bank devalued the Fiji’s currency in April this year to protect the foreign reserve position, and to strengthen demand for our exports and services, particularly tourism and to allow domestic expenditure substitution to local goods. Subsequently, commercial banks lending and interest rates have started to fall, deposit rates have risen, banking system liquidity, that is, the amount of money available for banks to lend, has increased considerably to around $150 million from very low levels early in the year. This itself will see credit conditions easing up further in the coming months and will assist greatly in businesses being able to borrow additional amounts to grow their businesses and to start new projects.

In the tourism industry, visitor arrivals are recovering. Tourist numbers are expected to improve in coming months assisted by the devaluation of the Fijian dollar and strong marketing which have made Fiji a competitive destination. Exports of gold and fish have increased. However, performances of other industries, such as garments, timber and mineral water have been affected by the weak demand from our trading partner economies.

Investment which is around 15 percent of GDP is expected to rise with the recent investments by Government and public enterprises such as the Fiji Electricity Authority, the Housing Authority. Government has given increased priority to the implementation of its capital programme for the year, in addition to meeting the flood rehabilitation demands. The Reserve Bank has made allowances for priority sector lending, as well as for export finance. The Bank has also established a Flood Rehabilitation Facility to assist businesses recover from the effects of the floods.

The planned infrastructure upgrading through the EXIM Bank China, EXIM Bank Malaysia and Asian Development Bank will further boost investment. Greater infrastructural support from Government and restructuring of the public sector, which essentially transfers assets and business opportunities to private sector, will also induce higher levels of private investment.

Exports have been less that $1 billion; however, imports in recent years have exceeded $3 billion resulting in trade deficits in excess of $2 billion. Imports have been rising continuously, mainly due to the increased importation has been attributed to growing demand from the tourism industry as well as rising food and fuel prices.

Foreign reserves have steadily risen to around $660 million, from around $440 million before the devaluation. However, the foreign reserves position must be improved and meet the medium term target of raising reserves to 3-5 months of import cover.
As a result of the devaluation, an increase in the inflation rate is expected in the coming months, with the year-end inflation forecast at 9.5 percent. However, prices are expected to start easing after April next year, towards an inflation of around 2 percent by the end of 2010.

The key macroeconomic issues that need to be addressed include maintaining macroeconomic stability; raising exports, raising domestic production, increasing foreign and domestic investment; and making more land available for social and economic development.

**Strategic Priorities for Economic Development**

**Maintaining Macroeconomic Stability**

The major priority for the medium term are to maintain prudent monetary and fiscal management in order to protect exchange reserves, continue with low inflation, and ensure sustainable fiscal deficits and debt levels. The medium-term objective of Government is consolidating fiscal policy, increasing export earnings and minimizing imports to reduce the widening trade account of the balance of payments.

**Export Promotion**

Export promotion will be targeted through the implementation of the National Export Strategy together with support for natural resource based industries. Also critical is the implementation of the sugar industry reforms including co-generation and the establishment of the bio-fuel industry. Import substitution strategies, including value addition, will be supported to increase self sufficiency, increase food security and reduce imports.

**Import Substitution**

Government will ensure greater cohesion and effective implementation of import substitution programmes to increase self reliance and reduce imports. The demand driven approach both for export and import substitution commodities will involve commercialization and strengthening industry organizations and agri-business networks, promotion of young farmer training, recognition of industry priorities by Government and the provision of support to medium sized entrepreneurs and exporters with existing market protocols.

**Raising Investment Levels**

Although investment has risen in recent years, it remains below the average of 20% of GDP for developing countries and below the Roadmap target of 25% of GDP. Of particular concern has been the low rate of private sector investment. Major reforms will include revamping laws such as those that affect town and country planning land development process and approvals. Government will raise its capital programme for the year, including those funded through the bilateral and multi lateral development partners.

**Making More Land Available for Productive and Social Purposes**

The key issue regarding land in Fiji is one of access and improving utilization and not ownership. Land is in abundance in Fiji, and ownership rights are well defined. What is lacking is a mutually beneficial system that encourages the leasing of land for all purposes, sets incentives to ensure productive utilization of the land, and ensures equitable returns for both tenants in the use of the land and landowners in the leasing of their land. Enduring solutions on the issue of access to land for productive economic and social purposes will be developed. Major land
reform will be pursued through a genuine consultative process with all stakeholders. Critical will be the need to ensure that the interests of landowners and tenants are addressed in a holistic and equitable manner. Land reforms will not compromise the interests of the landowners.

**Enhancing Global Integration and International Relations**

Fiji recognizes that it must reassert itself to regain its rightful place in the regional and international family of nations. Improved foreign and international relations are essential for achieving this. Our representations overseas will be strengthened to ensure that Fiji’s vision and aspirations is well understood by our trading and development partners. Enhanced global integration and partnerships will result in increased trade and cooperation including technical assistance and aid for trade. Bilateral and multilateral arrangements will be actively pursued with our development and trading partners. Fiji will strengthen its investment and trade facilitation through enhanced negotiation capacity and improved trade infrastructure.

**Socio-Cultural Development**

Most of the social indicators have worsened in Fiji over the past three decades. These include the Human Development Index (HDI) and the Millennium Development Goals (MDGs) in relation to the proportion of the people living in poverty, maternal and child mortality rates.

The HDI is a widely accepted measure of a country’s progress in attaining satisfactory levels of education, health and income. Fiji’s ranking was 42nd in 1975 but dropped to 61st in 1997. Its position further eroded in the late 1990s. Based on the 2007/08 UNDP Human Development Index, Fiji currently is placed 92nd out of 177. Samoa and Tonga — which had rankings similar to those of Fiji in the 1970s — have performed much better than Fiji in recent years, with rankings of 77th and 55th in 2007/08 respectively.

The Millennium Development Goals (MDGs) and their associated targets and indicators, which were endorsed by 189 countries including Fiji in the 2000 Millenium Summit, provide a recognised set of indicators that can be used to judge the key elements of social progress.

Poverty reduction is the most difficult challenge facing Fiji and its people and the greatest obstacle to pursuit of sustainable socio-economic growth. On the basis of the 2002/03 Household Income Expenditure Survey (HIES), 34.4% of the population lived below the Basic Needs Poverty Line (BNPL), indicating a 5% increase from the 1990-91 HIES. The poverty gap was estimated to have been $2,616.64 per year for an average household. Fiji remains a society with deep income inequalities. The 2002-03 HIES shows that the poorest 20% of the household received 5.9% of the national income while the top 20% of the households received 47.9% of the national income. Results of the 2008-09 HIES, which will be available by the end of 2009, will provide vital information on poverty situation.

The key issues inhibiting poverty reduction include the low growth of the economy; a lack of political commitment; political instability (weak governance); lack of access to economic assets, markets and social services; ineffective coordination,
implementation, and monitoring; lack of participation by all stakeholders vis-à-vis Government, the private sector and civil society; absence of sustainability mechanisms in programmes and projects; and lack of involvement of beneficiaries in project design, implementation, monitoring, and evaluation.

Access to basic education is a right of all Fijians. Education, up till secondary level, is well established in Fiji with ownership and management of schools being in partnership between state and community. The 2004/2005 Employment and Unemployment Survey revealed that 90% of the persons aged 5 to 14 were attending school, with the proportion a slightly higher 92% for Indo-Fijians compared to 89% for Fijians.

The large number of students dropping out early from school is a critical problem since it is one of the major contributing factors to the growing incidence of poverty. In turn, poverty impacts so adversely on the socio-economic development of this country. With limited skills and knowledge to improve their livelihoods, early school leavers make up a large number of the unemployed and subsequently they contribute disproportionately to the rising tide of crime and violence occurring in most urban centres.

Health continues to be a growing and increasingly complex field of competing priorities from all perspectives – from the individuals to governments, businesses, health professionals and the health services system. A healthy and productive population is a key for sustainable economic development. Despite consuming a major portion of governments budget (>3% of GDP and 9% of total budget), health care funding continues to be lower as compared to other countries in the region.

Inadequate allocation of resources has now led depililated state of facilities in the health sector. There is a need to reallocate resources in response to areas with greatest burden to the economy and the only possible way is for the need to have evidence to support effective decision making. As such, the importance of National Health Accounts (NHAs) is increasingly becoming important in management of resources and review of health policies.

The key development constraints and challenges in the health sector include: efficient and effective use of resources in health service delivery; responding to the increasing numbers of HIV/AIDS and STIs cases; reversing the deteriorating rates of child mortality, infant mortality and maternal mortality; reduction in the incidence of Non-Communicable and life-style diseases; emigration of skilled health care professionals; limited capacity for policy analysis and research; improving physical and financial access to good-quality health services in depressed domestic and global economy; the increasing demand and cost for health care; the need to improve stewardship over policy formulation, health legislation, regulation, resource mobilization, coordination, monitoring, and evaluation, strengthen the national health system and improve its management, and to improve the availability and management of health resources (financial, human, infrastructure, and so forth); reducing the disease burden attributable to priority diseases and health problems; increasing consumers’ awareness of their health status and poor lifestyle, and fostering effective collaboration and partnership with all health actors, NGOs and CSOs.
Women's higher risk of poverty and destitution is associated with labor force discrimination, increasing divorce and separation rates and problems in collecting maintenance payments from departed spouse. Women constitute the majority of beneficiaries under the Social Welfare Department's Family Assistance Scheme. Female unemployment increased slightly from 7.8% in 1996 to 8.7% in 2005, perhaps as a result of loss of jobs in the garment and further industries.

The major challenges to enhancing the development of women include implementation and monitoring of the Equal Employment Opportunity Policy in all workplaces, presence of occupational discrimination and gender segregation in labor markets; monitoring the compliance of laws and administrative practices and procedures to CEDAW Articles; maintaining effective social safety nets for the employed in particular training and investment to promote alternative livelihoods for women displaced from the manufacturing sector; promoting rural women's advancement in economic activities without destroying sustainability of women's fisheries and therefore household food security; continuing social impact analysis of trade agreements on impact on women's health of imported, low quality foods; increasing incidence of domestic violence; decreasing fertility of women especially rural Fijian women; spreading of HIV/AIDS as an epidemic; and collection and analysis of gender-sensitive data.

Fiji is a multi-racial, multi-cultural and pluralistic country with a multiplicity of languages, religions and ways of living. However, the country is a fragmented society because there is no unity amongst the citizens of this nation. There is an absence of a National Identity. At present the citizens of Fiji identify themselves more strongly with their religions, ethnicity and by their various community or province than by nationality.

These differences have been utilised by many of our political leaders to gain political mileage. During the past thirty eight years, political leadership played a key role in dividing the citizens of Fiji rather than uniting us. The division was derived from the colonial system of leadership of divide and rule. Our leaders have failed to unite our various communities in a form that truly reflects our diversity.

The lack of social cohesion has contributed to exclusiveness and lower economic growth. One of the main challenges we face is unifying people who comprise several ethnic communities with diverse social, economic and cultural backgrounds. It is this diversity which requires a symbol that is acceptable for the whole population, as a basis for the development of national identity that creates firm allegiance. This allegiance can be constructed, made concrete, communicated and maintained over time. The process to negotiate a national identity is a continuous one which demands inclusiveness and the fair representation of people and cultures. The end results ought to be a shared conviction that people are socialized into believing its essence, resulting in its internalization.

A process needs to be designed and facilitated that can include the participation of Fiji’s peoples and our leaders need to be focused on our nation rather than their sectional interests. We need to build Fiji into a non-racial, culturally-vibrant and united, well-governed, truly democratic nation that seeks progress, and prosperity through merit-based equality of opportunity, justice and peace. Establishing a
national identity through a common name is of utmost importance. Education, religion, and culture have important roles to play in our peaceful co-existence, social cohesion and nation building.

**Strategic Priorities for Social Development**

*Reducing Poverty to a Negligible Level*  
Poverty remains a real threat and challenge for Fiji. An increasing number of people are living below the poverty line and as a direct consequence, are indulging in risky behaviors and crime. Expanding the national and local economies is vital to create more economic opportunities and to underpin improved well-being and more sustainable livelihoods.

Emphasis will be placed on directing adequate resources to core priority sectors of health, education, housing, micro finance initiatives and infrastructure development, particularly in depressed and under-developed regions, in both rural and urban areas. To enhance their effectiveness, poverty reduction strategies and programmes will be based on needs assessment, targeted to the intended beneficiaries and coordinated with relevant stakeholders. National Minimum Wage and the enhancement of productivity will be addressed. Communities and Community Based Organizations will be empowered through capacity building programs. Local plans will be developed and implemented to enable greater access to social services and economic opportunities.

*Making Fiji a Knowledge Based Society*  
Access to quality education for all will remain a priority for Fiji. Improved quality of teaching supplemented by progressive and responsive curriculum will ensure the achievement of an educated and skilled workforce. School dropouts and skills gaps will be addressed through initiatives such as the strengthening of the National Youth Service Scheme, enhancement of vocational and community based informal education, and alignment of training to national priorities. Critical will be the need to establish a Modular System of education at secondary schools to provide broad based education for all students while at the same time giving students choice to develop their potential along their areas of interest.

*Improving Health Service Delivery*  
Fiji’s progress towards the achievement of the health related Millennium Development Goals (MDGs) has not been encouraging. Health service delivery will be a nation-wide effort to bring it to acceptable levels. In order to enhance health service delivery the areas to be targeted are evidence-based resource allocation and meeting manpower needs. The need for more private sector involvement, the identification of alternative sources of health financing and outsourcing of non-essential services will be pursued.

*Developing a Common National Identity and Building Social Cohesion*  
National identity through a common name is critical for building social cohesion and for elimination of racial discrimination in Fiji. To change for the common good, civic and cultural education will be pursued with vigor, and will focus on developing our strength through our common shared values and interests. As a long term commitment, the initiatives for building social cohesion and national unity will continue well beyond 2014. These include civic and
multicultural education, establishment of a Commission for Healing, Reconciliation, Truth and Justice, promulgation of the Anti-Discrimination Act, the teaching of vernacular languages and comparative studies on religion for better appreciation and understanding of other cultures.

**Implementation and Monitoring Framework**

The successful implementation of the Roadmap will depend on a robust and effective implementation and monitoring framework. All stakeholders and implementing agencies including Ministries and Departments will ensure that all key initiatives and major outputs are achieved within the timeframe. The framework to ensure a systematic and coherent approach to implementation will include the following:

(i) Roadmap - based on the Strategic Framework for Change which will outline the outputs and respective strategies and programmes;

(ii) Action Plans - based on the Roadmap, ministries and departments are required to develop Action Plans which will be basis for the formulation of their Annual Corporate Plans;

(iii) Nationwide Effort - all stakeholders including ministries and departments must contribute positively to the implementation programme; and

(iv) Implementation and Monitoring – an implementation and monitoring and framework that will be established to ensure systemic and effective implementation.

The RDSSED monitoring mechanism will involve the National Peoples Charter Council (NPCC), sub-committees a secretariat, Ministries and Departments, private sector and civil society. The members of the NPCC would be inclusive and representative of the people of Fiji. Therefore, members would be drawn from the Government of the day, members of Parliament, recognised private sector organisation, the Great Council of Chiefs, Non Government Organisations, religious organisations, provincial councils, advisory councils and other community-based organisations.

In light of this necessity and the need for greater public inclusiveness, dialogue and participation, the NPCC, shall be actively engaged in performing the role of facilitator, setting and shaping the ongoing agenda for change.

The NPCC will monitor the Roadmap outputs and their respective Key Performance Indicators (KPIs), as contained in this Roadmap. The NPCC and sub-committees will not limit themselves to assessing progress against the KPIs: an important function of the sub-committees will be to assess the continuing relevance of outcomes and KPIs and the quality of information they are providing so that the adequacy of all KPIs is kept under review.

The functions of the NPCC shall include:

- Monitor Roadmap implementation focusing on the outputs and key performance indicators;
• Provide forums for consultation and dialogue for consensus building on national development issues;
• Carry out civic education on governance issues, national identity and other issues considered relevant and important;
• Evaluate and review performance of implementing agencies;
• Review of the Roadmap when necessary for the purpose of updating and adjustment; and
• Provide policy advice and support to the Prime Minister and Cabinet on issues pertaining to the Roadmap.
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CHAPTER 1
Chapter 1 Vision, Mission and Guiding Principles

1.1 Introduction

The Roadmap for Democracy and Sustainable Socio-economic Development (RDSSED) 2009-2014 sets out a strategic framework to achieve sustainable democracy, good and just governance, socio-economic development and national unity. The key foundation of the Roadmap is the Peoples Charter for Change Peace and Progress (PCCPP) which was compiled through an unprecedented nationwide consultation process, involving a wide range of stakeholders. The Roadmap is logically aligned to the mandate handed down by His Excellency, the President in 2007, as well as the Strategic Framework for Change announced by the Prime Minister on 1st July 2009.

In order to ensure an inclusive approach, ownership and successful implementation, the Roadmap has been compiled in consultation with private sector, civil society and government to take on board the current political, social and economic situation, both on the international and domestic fronts.

This chapter describes the Vision of the Roadmap, together with the Mission and Guiding Principles that Government will follow in implementing policies. The Vision is a statement of Fiji’s aspirations in the short, medium and long term. The Mission and Guiding Principles summarize the approach and philosophy that Government will take in designing and implementing policies to achieve the Vision.

Chapter 2 reviews governance issues and challenges and sets out the policies, strategies and key performance indicators for the next five years. Similarly, reviews and policies, strategies and key performance indicators for economic and socio-cultural development are addressed in chapters 3 and 4 respectively. The final Chapter, Chapter 5, establishes the implementation and monitoring framework of the Roadmap.

1.2 Vision: “A Better Fiji for All”

The objective of the Roadmap is to identify and implement policies to take us forward to our vision of, “A Better Fiji for All”. This is a collective vision that should be shared by all citizens of Fiji. A better Fiji is one that is well governed, truly democratic, progressive, prosperous, non-racial, united and peaceful.

1.2.1 Good Governance and a Truly Democratic Nation

Fiji needs to entrench a culture of good governance in particular a greater commitment to equality under the law for all people regardless of race, gender or circumstance in all areas of Government and throughout society in order to end the cycle of coups and achieve sustainable democracy. The formulation of a new Constitution, which is fair and just, will provide a solid foundation and framework for rebuilding our nation, is a fundamental component of this Roadmap. Equally important is electoral reform to bring about fair and free elections. The current electoral system will be reviewed to promote...
racial tolerance and unity and eliminate ethnic based elections, a major impediment for national development.

To improve the accountability framework, improve access to justice and strengthen the operation of the rule of law, key governance institutions responsible for maintaining law and order and holding Government accountable will be enhanced in the medium to long term. Code of Conduct and Freedom of Information Decrees will lead to greater accountability on the part of holders of high public office and to wider access by our citizens to Government information and processes. Further legal reforms will be implemented to enhance accountability, and maintain freedom of the media in Fiji.

Good governance of the indigenous population will be addressed through the implementation of good governance practices in indigenous institutions. A new national security framework will be adopted to enhance coordination and improve State’s response to security threats to the nation, including a re-defined role for the military that incorporates the concept of human security to improve its relationship with civilian Governments and the people.

It is imperative that Public Services must be efficient and effective in both capacity and performance in the 21st Century. It will instill a new performance and service – oriented culture – one that values high productivity, smarter and effective work systems and enforces merit based appointments. It will be lean and accountable to those it serves.

1.2.2 Progress and Prosperity for All

Progress, prosperity and decent living standards can only be achieved when the economy is growing. The financial and economic recession experienced worldwide, compounded by high occurrence of natural disasters and flash floods and our vulnerability have adversely affected Fiji’s economy causing below par performance. The pro-growth and pro-poor measures announced in the 2009 Budget in relation to raising exports, enhancing domestic production, increasing private sector investment and infrastructure development, are in progress and these are expected to contribute to positive growth in 2010 and beyond.

Enduring solutions on the issue of access to land for productive economic and social purposes will be developed. Major land reforms will be pursued through a genuine consultative process with all stakeholders. Critical will be the need to ensure that the interests of landowners and tenants are addressed in a holistic and equitable manner.

Prosperity also means making sure that all people share in the benefits of growth and in the opportunities which it generates for improving living standards. Particular emphasis will be placed on directing adequate resources to core priority sectors of health, education, housing, micro finance initiatives and infrastructure development, particularly in depressed and under-developed regions, in both rural and urban areas. National Minimum Wage and the enhancement of productivity will be addressed. Communities and Community Based Organizations will be empowered through capacity building
programs. Local plans will be developed and implemented to enable greater access to social services and economic opportunities.

Narrowing the income and opportunity disparities that exist in society will also contribute to a greater sense of national identity and social cohesion. This is important in achieving stability and peace in the country. Peace, stability and a feeling of security are essential to achieve sustained high economic growth, and prosperity.

In sharing the benefits of growth, we must ensure that development does not impact negatively on the environment in order that our future generations may also enjoy the benefits of our natural resources.

1.2.3 Peaceful, Non-Racial and United Society

Achieving peace, racial tolerance and unity in our multi-cultural country is a long term commitment that must be vigorously pursued through building understanding amongst leaders and communities at all levels - from local to national, as well as through recognising and appreciating the contribution by the different communities, to nation building. This is essential for peaceful co-existence and social cohesion in our multi-cultural society.

National identity through a common name is critical for building social cohesion, elimination of racial discrimination and developing a united society. To change for the common good, civic and cultural education will be pursued with vigor, focusing on our shared values and interests. As a long term commitment, the initiatives for building social cohesion and national unity will continue well beyond the duration of the Roadmap. These include civic and multicultural education, the teaching of vernacular languages and comparative studies on religion for better appreciation and understanding of other cultures.

Government recognizes, accepts and deeply respects that the i-taukei and other communities in Fiji have their cultures, histories and sense of identities that they deeply cherish and that these qualities have enabled them to contribute effectively, in great measure to the development of Fiji as a multicultural, progressive democratic nation.

For the people of Fiji to build and develop a deeper sense of multicultural nationhood into the future, we must ensure that all communities’ interests that give each of them their identities and sense of place and belonging to Fiji must be recognized and respected in our relationship and mutual conduct.

1.3 Mission and Guiding Principles

Government’s Mission is to develop and implement the best political, social and economic policies in order to advance the goals of Good Governance, Prosperity and Peace and National Unity. Government has consulted widely with the private sector and with non-government organizations to identify the policies appropriate to the current
social and economic situation in Fiji. Based upon these shared priorities, the Roadmap will best serve the needs of national unity, peace and harmony.

In pursuing its Mission, Government will abide by a number of **Guiding Principles**. These are:

- Equality and dignity of all citizens;
- Respect for the diverse cultural, religious and philosophical beliefs;
- Unity among people driven by a common purpose and citizenship;
- Good and just governance;
- Sustainable economic growth;
- Social and economic justice;
- Equitable access to the benefits of development including access to basic need and services;
- Merit-based equality of opportunity for all; and
- Complying with international commitments.

------------------------------------------------------------------------------------------------------------
CHAPTER 2
Chapter 2  Good Governance

2.1  Review of Issues and Challenges

Deteriorating governance has been a major problem for Fiji since independence. An electoral system that is race-based, the lack of accountability, inefficient service delivery throughout the public sector and a weak national security framework have all contributed to political instability, the cycle of coups, and a general lack of public confidence in our system of Government. The vast majority of the population desperately wants to see Fiji put an end to the cycle of coups. A wide range of factors have been identified as contributing to the coups in their own different ways from the complex relationship between ethnicity and politics, which has led to tension and political instability to socio-economic conditions giving rise to political grievances. Weak and unjust systems of governance including the role of the military have also heightened conflict as have other sources of power in Fiji, such as the churches and the media.

There is a need to entrench a culture of democratic good governance such that it becomes the dominant political thinking and behaviour of the people of Fiji. Principles of good governance need to be applied to both the formal governance framework, to the institutions within it, and to how the country is governed on a daily basis in terms of policy formulation and decision making. The United Nations Economic and Social Commission for Asia and the Pacific (ESCAP), and several other UN bodies, describe good governance as having eight major characteristics. It is participatory, consensus oriented, accountable, transparent, responsive, effective and efficient, equitable and inclusive, and follows the rule of law. It assures that corruption is minimised; the views of minorities are taken into account; and that the voices of the most vulnerable in society are heard in decision-making. It is also responsive to the present and future needs of society.

Various indicators have been constructed to measure various aspects of government activities and governance quality. These include the Worldwide Governance Indicators (WGI), the University of the South Pacific’s Composite Governance Index and Transparency International’s Corruption Perception Index. The WGI measures six aggregate governance indicators: (i) Voice and Accountability; (ii) Political Stability and Absence of Violence; (iii) Government Effectiveness; (iv) Regulatory Quality; (v) Rule of Law; and (vii) Control of Corruption.
The 2008 WGI survey showed that Fiji’s percentile rank had worsened for five dimensions of governance, except the rule of law which only improved slightly from 2007 figures. Very low percentile ranks were recorded for government effectiveness, regulatory quality, voice and accountability and the rule of law indices. Generally since 2006 most of the indicators have worsened, with a majority falling below the 50th percentile rank. In comparing the 2008 figures with other Pacific Island Countries, Fiji ranked well below Samoa, Vanuatu, American Samoa, Kiribati and Tuvalu in almost all governance indicators.

<table>
<thead>
<tr>
<th>Table 1: Five Year Comparison of WGI's (Percentile Rank 0-100)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Governance Indicator</td>
</tr>
<tr>
<td>Voice and Accountability</td>
</tr>
<tr>
<td>Political Stability</td>
</tr>
<tr>
<td>Government Effectiveness</td>
</tr>
<tr>
<td>Regulatory Quality</td>
</tr>
<tr>
<td>Rule of Law</td>
</tr>
<tr>
<td>Control of Corruption</td>
</tr>
</tbody>
</table>

The adoption of a new Constitution is now a major short term priority for Government. Any new Constitution will of course have to recognise the basic constitutional principles, which have existed in Fiji since independence such as sovereignty, parliamentary democracy, the separation of powers and the protection of basic human rights under a Bill of Rights and supremacy of the rule of law. Government will also ensure that the underlying principles of the Peoples Charter in particular the principle of equal opportunity and equality under the law for all citizens regardless of race, gender or circumstance in all areas of Government and society are also recognised. To ensure public confidence the new Constitution is likely to retain many of the non-contentious provisions of the 1997 Constitution and will incorporate major reforms proposed under the Peoples Charter including:

i. adoption of an Open List Proportional Representation electoral and voting system;
ii. adoption of the common name “Fijian” for all citizens and to change the official name of the country to “Fiji”;
iii. provision that no coup can abrogate the Constitution;
iv. enhancing and clarifying the role of the military and the country’s national security framework;
v. stronger protections for the application of the Bill of Rights such as adoption of CEDAW definitions for discrimination against women and the girl-child;
vi. proposals to strengthen the operation of state services and the accountability framework.

2.1.2 The Electoral and Parliamentary System

Fiji’s single member (majority) electoral system has been in place since Independence in 1970 and has always provided for communal representation. In 1990, the system was altered to guarantee indigenous Fijians control of the House of Representatives. General elections in Fiji between 1972 and 1994 were conducted under the First-Past-The-Post (FPTP) electoral system. In 1996, the system was subjected to extensive review as part of the overall review of the 1990 Constitution by the Reeves Commission. In 1998, based on recommendations made by the Reeves Commission and also the Parliamentary Select Committee, the electoral system was changed to implement the Alternative Vote (AV) system.

None of the three elections held under the AV system have been fair. They have all yielded highly distorted results where certain parties win far too many seats considering their support, while others languish with few or no seats even with reasonable support. If Fiji wants to be a genuine democracy, it cannot employ electoral arrangements that violate democratic principles.

While Fiji’s political problems cannot all be laid at the door of the present electoral system, there is no doubt that it has had seriously negative effects on Fiji’s political life. According to the Reeves Constitution Review Report, race-based politics have become inevitable in Fiji as a direct result of communal voting and representation in Parliament. Furthermore, the 2008 PCCPP SNE Report noted that this system has directly contributed to the political instability leading to the coups and at times the complete breakdown in law and order.

The communal voting and representation system set out under the 1997 Constitution is flawed in a number of areas because:

- it does not conform to the United Nations Declaration on Human Rights and the Convention for the Elimination of All Forms of Racial Discrimination;
- it has led to political instability. Ethno-political and namely the complex relationship between ethnicity and politics has led to tension and contributed to Fiji’s coups;
- it has not achieved the objective of drawing the country together or of protecting the interests of identified ethnic groups. In fact, socio-cultural factors and issues relating to identity and culture have become politicised and become the basis for mobilization; which is one of the contributing factors to Fiji’s coups; and
- the demographic change whereby the indigenous people now form the majority population does not warrant any special arrangement to protect their interests.
Besides the excessive use of communal or reserved representation in violation of basic human rights principles, this electoral and voting system is unfair due to the:

- lack of equal suffrage given the disproportional number of voters between single member constituencies;
- use of preferences producing results that do not accurately reflect the will of the people, as evidenced by the lack of representation for certain political parties who have received a fair proportion of first preference votes;
- communal voting and representation using a single member constituency or majority/plurality electoral system has also made it impossible to encourage a move away from race-based politics as political parties only need to appeal to specific ethnic interests to secure seats; and
- the complexity of the current system requires a high level of literacy, which has led to an unusually high number of invalid votes (9% in 1999, 12% in 2001, and 9% in 2006).

Fiji needs an electoral and voting system that more accurately reflects the will of the people to enable ‘government of the people, by the people, for the people’ based on principles of equal suffrage and equal opportunity for all voters regardless of race, gender or circumstance.

In the short term, steps will be taken to formulate the appropriate constitutional and legal framework to facilitate the adoption of the country’s electoral and parliamentary system under the new Constitution in 2012.

Further ancillary issues to be addressed include:

- the size and composition of Parliament;
- compulsory voting;
- the voting age;
- eligibility of candidates;
- residency restrictions on the right to vote;
- electoral rules and regulations to ensure a free and fair general election; and
- strengthening the capacity of electoral administration bodies.

Action will be taken to strengthen the effectiveness of the country’s electoral administration bodies and processes to enable the holding of free and fair general elections. The continued development of an effective voter registration system is an immediate to short term measure. Furthermore, an ideal organisational structure for the Elections Office will need to be in place by 2012 to facilitate preparations for the next general election in 2014.

2.1.3 National Security

Fiji’s national security concerns encompass a broad range of areas including protecting the country’s sovereignty from attack, ending the cycle of coups and maintaining law and
order. It also encompasses Fiji’s interests in protecting its tourism industry or offshore environment; border security; protective security; emergency management and effective coordination of disaster relief. Essentially the functions of security agencies are interlinked. Effectively addressing these areas provides the platform for the peace and stability that is vital for socio-economic growth and national development.

On a broader perspective, the Ministry of Defence, National Security & Immigration formulates and implements policies relating to the nation’s security in the areas of counter terrorism, border control, emergency management, defence, and law and order. The implementing agencies consist of the Republic of Fiji Military Forces (RFMF), Fiji Police Force, Department of Immigration, Customs, Department of Emergency Management and Fiji Financial Intelligence Unit (FIU). Serious threats to public health and the environment may also require input from other agencies such as the Ministry of Health and Department of Environment.

The RFMF is primarily responsible for defence and plays a supportive role to the Police on internal security. In pursuing its foreign policy Government has engaged the RFMF and the Police on international peacekeeping duties, while the RFMF has been engaged in subsidiary roles such as nation building, youth training & infrastructure development in rural areas, protection of Fiji’s 200 mile Exclusive Economic Zone (EEZ), support operations during disasters, emergencies and maritime search and rescue.

The security and management of Fiji’s border, administration of citizenship and facilitation of migration and control functions at our major ports and airports are important issues to be addressed. This is more so in light of the global rise in people and drug trafficking, identity fraud, money laundering, prostitution and illegal immigrants. The collaborative effort of the Departments of Immigration, Quarantine, Customs and the Border Police is critical in this regard.

Counter terrorism activities have also become a permanent feature of global, regional and national consideration. The growing sophistication of terrorism could continue to dramatically change the security landscape globally; and the need for cooperation of inter-agency stakeholders in future security operations, including on a regional basis, is vital.

Related to terrorist activities and also to corruption and wider economic crimes is the need to monitor flow of funds through the financial system, both domestically and internationally. In this regard the Fiji Financial Intelligence Unit (FIU) plays a critical role in monitoring the flow of funds through the banking system to identify and investigate suspicious transactions related to money laundering, corruption and other illegal activities and provide these information to investigation and enforcement agencies.

Fiji is prone to natural disasters and it demonstrates the need for having effective disaster management policies and a more effective legal framework and action plan. So far opportunities to gauge the effectiveness of disaster management plans only arise during a natural disaster and more is needed in terms of providing for disaster management drills
The vast majority of Fiji’s population wants to see an end to the cycle of coups as it ruin lives; destroy social and economic opportunity; and leave lasting fissures within society. The Peoples Charter proposes a set of 14 key principles and specific recommendations that require comprehensive action towards ending the cycle of coups. The key principles are aimed at:

- Improving national security coordination through a national security framework that provides for the formal establishment of a National Security Council (NSC) to effectively control and coordinate appropriate responses to all national security threats and allowing for greater public accountability for national security; and
- Realigning the role of the military to place greater emphasis on the concept of human security to facilitate greater involvement by the RFMF in providing for basic needs and improving its relationship with the people.

This national security framework needs to be established under the new Constitution to strengthen coordination and improve the State’s response in all areas. The NSC will control and respond to national security threats.

The composition and role of the Fiji Military Forces as a hard security institution will remain the same given the very real potential for disruptive politics leading to conflict and instability. However, this role will be redefined under the national security framework and expanded along the human security paradigm. Formal measures will also be put in place to ensure:

- the Police remain the primary law and order institution and the point at which the military can intervene is clarified;
- there is provision for the clear accountability of the military to civilian governments through a redefined relationship; and
- the military remains politically neutral at all times.

Internal reviews will be carried out by the Ministry of Defence and other national security agencies including the RFMF and Police Force in the implementation of these recommendations. Subject to formal adoption of these recommendations, a plan of action will be developed to facilitate implementation from 2010 onwards particularly in relation to the incorporation of a human security framework into the operations of the RFMF.

The adoption of formal counter-terrorism measures remains a priority and progress will be made towards the revival of a national intelligence agency. The National Intelligence Agency (NIA) is expected to become operational in 2010. Another priority is the ongoing implementation of the Disaster Management Act beginning with the establishment and subsequent merger of the Emergency Management Unit with the NDMO. Border control systems will be strengthened beginning with a review of the operational machinery. It is also imperative that institutions charged with national security issues
responsibilities are adequately resourced to facilitate the effective execution of their roles and functions.

### 2.1.4 Law and Justice

The rule of law must be a basic feature of an effective system of democratic governance. For there to be effective and efficient rule of law, the different parts of the legal system need to operate and interact in the following way:

i. Constitutional Rule: the existence of a set of basic rules and principles by which the people of Fiji have agreed to be bound;
ii. Government and other State institutions are subject to the law;
iii. The law making functions vested in an independent legislature whereby laws can only be changed by an established process that is transparent and accountable
iv. Impartial and independent courts exist to interpret the law;
v. Laws are transparent and accessible, particularly for the most vulnerable;
vi. Laws are enforced and interpreted consistently and their application is efficient and timely; and
vii. Laws uphold and protect basic human rights in particular that all citizens are equal under the law and should not be discriminated against on the grounds of race, gender or circumstance.

The effectiveness of the Law and Justice Sector in part depends on the ability of the different institutions to operate together in a coherent, coordinated and mutually supportive way.

#### Box 2.1: Fiji’s Law and Justice Sector

<table>
<thead>
<tr>
<th><strong>Legal Framework:</strong></th>
<th>As provided for under the Constitution, Acts of Parliament, regulations and decrees, and the common law of Fiji.</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>The Courts:</strong></td>
<td>Consisting of the Supreme Court, Court of Appeal, High Court, Magistrates Court and Small Claims Tribunal</td>
</tr>
<tr>
<td><strong>Law Enforcement:</strong></td>
<td>The Fiji Police Force, public agencies that enforce specific laws like FIRCA, FICAC, LTA etc. and non-government policing initiatives like private security firms.</td>
</tr>
<tr>
<td><strong>Law Officers</strong></td>
<td>Fiji’s Attorney-General and the Solicitor-General and all Government lawyers</td>
</tr>
<tr>
<td><strong>Prosecution Services:</strong></td>
<td>The National Prosecution Service, which consists of the Director of Public Prosecutions and Police Prosecution Service plus some of the other agencies referred to above.</td>
</tr>
<tr>
<td><strong>Parliament:</strong></td>
<td>This includes the Justice, Law &amp; Order Sector Standing Committee of the House of Representatives</td>
</tr>
<tr>
<td><strong>Mediators and Arbitrators:</strong></td>
<td>Permanent Arbitrator, Agricultural Tribunal, Commerce Commission,</td>
</tr>
<tr>
<td><strong>The Penal System:</strong></td>
<td></td>
</tr>
</tbody>
</table>
In a technical sense, the Law and Justice Sector is operating reasonably well. In many areas of the legal system where significant problems existed a few years ago, progress has been or is being made. The Australia/Fiji Law and Justice Programme, now suspended, was starting to achieve modest successes in improving the operation of different institutions in the sector. For the first time it was starting to function and operate as a sector and at a more strategic level in addressing problems such as smoothing out the operation of the criminal justice system and overcoming delays in prosecutions. The program had assisted Fiji courts and other agencies to reduce case back logs; improve the treatment of juvenile offenders; to expand access to legal aid; and to establish a Family Court and associated counselling service. It was also instrumental in improving community policing and the operation of the prosecution service. The laws of Fiji have now been revised although access to the new laws for those not on the internet remains difficult.

The cycle of coups has adversely affected the operation of the rule of law requiring reform measures to the criminal justice system to strengthen the sanctions against coups. Preventing further coups is now a priority for the law and justice sector and action is needed to implement the 14 key principles for ending the coup culture, in particular measures that strengthen the penalties and operation of criminal law in relation to offences related to coups, particularly convictions for treason.

There is scope for further improvement in overcoming the impact of the coups; accountability in the judiciary; giving effect to law reform recommendations; strengthening the effectiveness of law enforcement; and public awareness of the law and access to justice for ordinary people.

The Courts System

There are many issues which have been identified as being relevant to the effective and efficient disposal of cases (both civil and criminal) by the courts, some of which are highlighted below:

(a) Size of the Judiciary: the number of Judges, Magistrates and other judicial officers (including the creation of new positions like Master of the High Court);
(b) Court Administration: improved case management in relation to pre-trial motions;
(c) Jurisdiction: specialised courts and related matters;
(d) Legal Profession: the performance and conduct of all legal practitioners including
Government lawyers and prosecutors; and
(e) The availability of alternative Dispute Resolution and more formal settlement
procedures.

Court congestion and a backlog of cases is currently the major hindrance to providing
equal access to justice and ensuring the effective enforcement of law through the court
system. The Beattie Report (1994) highlighted some reasons for delays in the “disposal of
the business of the Courts”, which is still valid today. This mainly relate to the conduct
of the legal profession and court administration in the performance of its functions.
Statistics for 2006 indicate that of the total number of contested cases set down for
hearing in a court of law, 62.5% were either adjourned or withdrawn and that on average
it takes 18 months to dispose of civil cases (particularly in the Magistrates Court).

However, the implementation of some of the recommendations of the Beattie Report in
relation to case management by the courts are showing signs of improving the
effectiveness of the courts particularly in relation to the disposal of civil actions by the
High Court of Fiji. Delays in the court system, particularly in the High Court, have been
reduced with most cases now being disposed of within a calendar year. Prior to the
implementation of these measures, it could take up to three to five years to bring a civil
action to trial. However, there are still some long outstanding cases that have been heard,
but where judgements have not yet been handed down.

Efforts are on-going to address these issues many of which are set out in the Reports on
Fiji’s Law and Justice Sector. Measures to be taken call for greater cooperation and
coordination between major stakeholders namely the Judiciary, the Director of Public
Prosecutions, and also the Fiji Law Society particularly in relation to the development of
standards that need to be met to ensure cases are handled properly and disposed of
efficiently.

The efficient disposal of civil cases is of particular importance for private sector activity
and the development of a market economy that recognises enforceable contracts and
enforceable property rights. In many jurisdictions legal and administrative reforms have
or are being pursued to improve the efficiency and effectiveness of court systems, which
includes the implementation of alternative dispute resolution mechanisms that promote
conciliation, mediation and arbitration. In Fiji, foreign investors already enjoy access to
alternative dispute resolution mechanisms under the Foreign Investment Act 1999 and the
legal framework for industrial relations has always provided alternative dispute
resolution, which the new Employment Relations Promulgation (2007) seeks to improve
on.

The issue of judicial independence is a continuing issue in the minds of the public. The
need for fiscal autonomy and the provision of adequate resources to enable the effective
performance of its functions is one particular area that does require consideration. The
UN Basic Principles on the Independence of the Judiciary provides that it “is the duty of
each Member State to provide adequate resources to enable the judiciary to properly
perform its functions.” The Commonwealth Latimer House Principles also set out guidelines for member States on issues to preserve the independence of the judiciary that relate to court administration.

While allegations of corruption within the judiciary (the magistracy) and the public sector as a whole remain a pressing issue – the establishment of the Fiji Independent Commission Against Corruption (FICAC) and creation of new criminal offences which deal with all issues of corruption, appear largely sufficient at this stage to address this issue. However, the adoption of the conduct standards recommended above should also have some impact on addressing these concerns.

The issue of creating specialised courts has also been raised as one way of assisting the people of Fiji by giving particular and specialised attention to specific sorts of legal cases. There is already a specialised division of the courts to deal with family and juvenile matters, and the recent Employment Relations Promulgation establishes a separate division for employment matters. FICAC supports the creation of a corruption division of the High Court.

In addition to the adoption of a new Constitution to put in place the basic framework for the operation of the rule of law, many more specific measures are needed to strengthen the law and justice sector. The people of Fiji not only need to know what the law is, they also need to be assured that they live in a society where the law is respected, honoured and obeyed by all; and where all citizens are treated equally by the courts and other legal and state institutions.

To achieve this, measures will be implemented to strengthen the independence and accountability of the judiciary. This involves the adoption and enforcement of conduct standards for judges, magistrates and other judicial officers will be carried out in accordance with the Administration of Justice Decree 2009. To improve the efficiency of the courts in disposing of cases recommendations by Beattie and also by Connors in his commission of inquiry report into the Magistracy will also be implemented.

**Fiji Police Force**

The Fiji Police Force is charged with the maintenance of law and order, the preservation of peace, the protection of life and property, the prevention and detection of crime and the enforcement of all laws and regulations with which it is directly charged. Without effective law enforcement by the Police Force that combats and constrains criminal behaviour there is a risk of a drift towards an increasingly lawless society, increasingly fearful citizenry and a consequent reduction in economic and social opportunity. People in general have high hopes that these institutions together with the court systems will promote safe communities, greater social freedoms and more confidence in the economy.

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Public perception is always that the crime situation in Fiji appears to be worsening although in the last ten years there has been an overall drop in the number of crimes committed.\(^3\) However, statistics show that in recent years the frequency of serious crimes has stayed the same and is relatively high. Violent crimes against women and children including rape and defilement and robberies with violence continue to be of particular concern.

<table>
<thead>
<tr>
<th>Offences</th>
<th>2004</th>
<th>2005</th>
<th>2006</th>
<th>2007</th>
<th>2008</th>
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<tbody>
<tr>
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<td>3380</td>
<td>3492</td>
<td>3648</td>
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<td>A 0 A B H</td>
<td>2858</td>
<td>3333</td>
<td>3237</td>
<td>3230</td>
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<td>H B E L</td>
<td>1137</td>
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<td>1172</td>
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<tr>
<td>R W V</td>
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<td>DRUGS</td>
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<tr>
<td>U U O M V</td>
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<td>328</td>
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<td>DEFILEMENT</td>
<td>75</td>
<td>81</td>
<td>84</td>
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<tr>
<td>RAPE</td>
<td>92</td>
<td>138</td>
<td>162</td>
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<td>ARSON</td>
<td>48</td>
<td>56</td>
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<tr>
<td>MURDER</td>
<td>23</td>
<td>23</td>
<td>24</td>
<td>22</td>
<td>20</td>
</tr>
</tbody>
</table>

Table 1: Five Year Comparison of Recorded Top Ten Offences

While the number of crimes committed has reduced, the detection rate needs much improvement. The nature, scope and complexity of crime is also changing with transnational crimes such as drug running and money laundering on the increase; as well as signs emerging of a growing sex trade. Illegal immigrants have played a part in these trends. The unlikely but still real threat of terrorism is an ominous spectre that has changed the way that Police Forces around the world go about their job.

Increased concern about crime has led to changes in lifestyles aimed at ensuring greater self-protection and efforts to make the family home and businesses more secure. Private expenditure on security has increased markedly over the last ten years. However, as public surveys suggest, there is still room for raising public awareness on issues related to the avoidance of crime.

The Police on their own cannot solve all the problems of law and order in society and partnerships at the national and local levels are essential to the well being of communities. Organisations such as the Neighbourhood Watch Schemes, Crime Prevention Consultative Committees, Crime Prevention Community Initiated Projects

<table>
<thead>
<tr>
<th>Year</th>
<th>No. of Crime Reports</th>
<th>No. of Reports Detected</th>
<th>% Detection Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>2003</td>
<td>16,949</td>
<td>8602</td>
<td>51</td>
</tr>
<tr>
<td>2004</td>
<td>16,574</td>
<td>8,662</td>
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<tr>
<td>2005</td>
<td>19,050</td>
<td>11,017</td>
<td>58</td>
</tr>
<tr>
<td>2006</td>
<td>19,143</td>
<td>8,187</td>
<td>43</td>
</tr>
<tr>
<td>2007</td>
<td>18,623</td>
<td>8,525</td>
<td>46</td>
</tr>
</tbody>
</table>

Table 2: Five Year Comparison of Crime Detection Rate

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\(^2\) Assault Occasioning Actual Bodily Harm (AOABH); House Breaking Entering & Larceny (HBEL); Robbery with Violence (RWV); Unlawful Use of Motor Vehicle (UUOMV).

\(^3\) In 1997, 22,149 crimes were recorded; whereas in 2007, 18,623 crimes were recorded.
and Police and Citizens Youth Clubs are making helpful and lasting contributions to addressing crime prevention issues. At the school level, the crime prevention initiative in the form of Scholastic Program has been introduced in some secondary and primary schools. The large scale involvement of members of the public in community policing and neighbourhood watch zones throughout the country has added to the success of the Police in reducing crime.

Nevertheless, the Police Force sees itself as under serious challenge. Crime remains at a high level, with detection rates on crime not improving. While there is recognition of the need to reorient the Force, its budget, human resources, the need for enhanced training, and equipment deficiencies need to be addressed.

A key challenge faced by the police is the changing nature of criminal activities, including the terrorist threat. This threat is real and although may not directly affect Fiji, it can influence criminal activities, especially at the borders. The growing scope and complexity of criminal activities such as white collar crime has tested the competence of the law enforcement agencies.

The growing scope and complexity of criminal activities such as white collar crime has tested the competence of the law enforcement agencies. The Fiji Police Force, in particular, with limited resources, lacks the capability to tackle serious crimes effectively. The pace of societal and technological changes presents a continually evolving set of challenges for the Police Force.

The Force is currently undertaking major projects to reform and modernize the service. This includes organisational restructuring, setting up of the Ready Action Group, Border Police, and equipping of Forensic Division. There are also ongoing efforts to address the composition of the Force through recruitment of Indo Fijians and women. These initiatives are aimed at improving the effectiveness of the Force. The Force also needs to be fully equipped and resourced to rise completely to the challenge they face.

To ensure that Fiji Police continues to meet new challenges, the Force needs to transform itself. Transformation by way of changes in how it does business, in mind set, in culture and in attitude. Changes in society cannot be ignored as they will continue to influence and determine how the Force does its business.

For the medium term, focus will be directed towards improving law enforcement through the setting up of task forces to clean up serious and/or prevalent criminal behaviour; through using more advanced policing techniques; extending community policing across Fiji and allowing for greater community involvement in law enforcement. In addition, a stronger focus will be placed on crime prevention at the national level by establishing a Crime Prevention Board. As part of the transformation process for the FPF, leadership capacity and professionalism will also be developed and enhanced.
**Fiji Prisons and Correction Services**

The Fiji Prisons and Correction Services (FPCS) is responsible for the safe, secure and humane treatment of persons in custody by providing opportunities to correct offending behaviour, develop work and life skills, and to perform community service. Its two main functions are the provision of safe custody and humane treatment of inmates; and the provision of rehabilitation programmes to those in lawful custody.

The FPSC is an important aspect of the justice system. Its existence institutionalizes the end process of our criminal justice system. It is deemed that justice is not carried out until a person is convicted of any crime has fully served his/her sentence. A good prison system will not only serve its purpose as a penal or custodian institution, but more so, be a deterrent to the commitment of offences.

The Prisons Service has 13 institutions nationwide and faces problems of low staff ratios per prisoner population, (1:10 compared to the world standard of 1:4) capacity, budget problems and old unhygienic facilities. Most prisoners are relatively young and belong to the 16 to 39 age group. Recidivism continues to be a major problem, at 56% of all prisoners. The prison population per 100,000 population for Fiji was 131 in 2005 Out of the 20 countries of the Oceania Region for which data is available, only 4 had a higher rate than Fiji.

The prisons service does not have sufficient resources to cater for the increased number of prisoners entering the system - prisons are crowded; and the Prisons Service cannot deliver quality rehabilitation programs. Crowding affects the ability of prison wardens to rehabilitate and focus on prisoners. To address this issue, the FPSC has also started to encourage other forms of imprisonment in collaboration with other stakeholders like the Police, non government organizations, and the general community.

An initiative undertaken by the Australia/Fiji Law & Justice Program (now suspended) was the development of a cross sector agency Community Based Corrections Framework. This effort was enhanced with the support of the current government and has been piloted in selected localities including Ba & Navua. About 120 prisoners are serving their sentences under the Community Work Act 1996 in selected locations. These offenders are supervised on a voluntary basis by retired civil servants and prominent citizens including chiefs and church leaders.

The new Prisons and Corrections Act 2006 provides a new focus for the future development of the Service. It emphasises the need to shift the focus from the traditional philosophy of containment to corrections. The new legislation requires the adoption of new, innovative and effective programmes to ensure that the offenders change, do not re-offend nor return to prison.

As part of this new philosophy, the Department has launched the Yellow Ribbon Project (YRP), which is essentially about acceptance, forgiveness and giving ex-offenders a second chance. It is about community action in assisting people coming out of prison to
reintegrate successfully back into society. The aftercare aspects when offenders are released from prisons have been identified as the weak link in the rehabilitation process of offenders. The YRP is now an integral part of prison service and the FPCS will be working closely with key stakeholders for its implementation.

A case management framework is also being piloted in prison, with the ultimate objective to carry out an assessment of prisoners based on social and psychological principles in order to better understand the prisoners and mete appropriate rehabilitation programme.

**Other Components of the Law and Justice Sector**

Many people living at village level in Fiji still do not have a good understanding of the law and access to justice and other legal services for ordinary citizens remains a concern. Action is needed to further strengthen the awareness of basic legal rights such as the right to counsel and emphasising the right not to incriminate oneself and making the country’s laws and other legal services more accessible for ordinary people. Improvements in these areas relate to completion of the revision of the country’s laws, access to legal representation for the most vulnerable and strengthening the law reform process.

To address the accountability of the legal profession, recent amendments were made to the Legal Practitioners Act to establish a Legal Services Commissioner to handle complaints against lawyers. Putting in place this new independent enforcement mechanism of conduct standards for lawyers is expected to resolve the many outstanding complaints against lawyers and enhance the accountability of the profession. The new independent disciplinary process for legal practitioners will be actively enforced to maintain their accountability.

In addition, work will continue on extending the services of the Legal Aid Commission throughout the country. Formal administrative measures will also be adopted to allow for greater involvement from civil society and bodies like the Fiji Law Society to assist and complement the work of the Legal Aid Commission in terms of promoting public awareness of these basic legal rights. Law revision will be completed and easier access to written laws provided with long term strategies put in place to enhance the role of the Fiji Law Reform Commission. Other on-going strategies to improve access to justice in Fiji include ensuring all legal registries such as those administered by the Registrar of Titles, Registrar-General, Registrar of Companies and Public Trustee continue to make improvements in the provision of their services. This mainly involves capacity building to upgrade facilities to enhance efficiency.

**2.1.5 The Accountability Framework**

The accountability framework comprises the institutions and processes that exist to ensure open and transparent Government. Without these processes there is no public sector accountability. This involves the operations of many state institutions namely, Parliament, through its committee system and other processes, and independent institutions like the Auditor-General, Fiji Human Rights Commission (FHRC) and the
Fiji Independent Commission Against Corruption (FICAC). A key function for many of these institutions is to hold Government to account for its actions; a necessary step in maintaining public confidence in the system.

The effectiveness of Government’s internal processes to ensure enforcement of the public service code of conduct and compliance with financial rules and regulations is another key component of the accountability framework. It also requires commitment to allowing the public to access public information and independent enforcement of conduct standards for holders of high public office. A free and independent media and the work of non-government and civil society organisations are also a vital part of the accountability framework.

Public perception is that there is little or no accountability for public officials, from holders of high public office to ordinary civil servants, who behave improperly. In the absence of accountability, people are unable to ensure that their Government acts wisely, lawfully and fairly in serving the national interest. Accountability issues are continually raised in the Annual Audit Reports of the Auditor-General on the public accounts of the State and Local Government bodies and by the media. Findings in reports of the Auditor-General regularly highlight non-compliance with public service rules and regulations relating to the poor collection of government revenue; abuse of procurement procedures; irregularities in project management; abuse of resources and facilities; poor cash management; employee misconduct; and inadequate record keeping.

The absence of an effective legal framework that guarantees the public a right to access public information, enforces conduct standards for holders of high public office, and maintains the accountability of the media have all contributed to the weakness in the accountability framework. An analysis of investigations carried out by the Fiji Independent Commission Against Corruption (FICAC) shows that corruption occurs throughout the public sector at all levels and has become systemic in certain areas.

Presently, the weakness of the accountability framework requires major capacity building, in terms of financial and human resources across the board to strengthen democratic and accountability institutions at a time when downsizing the operating costs of the public sector is a major reform priority. Another area of weakness is the non-performance of functions that require office holders in the accountability framework to be pro-active. There are functions throughout the accountability framework, whereby office holders are required to initiate action in pursuing matters to uphold the accountability of the public sector either through parliamentary scrutiny and the operation of its committee system to investigations being initiated by the Auditor-General. FICAC has been assigned general functions to identify areas of public administration that are susceptible to corruption and recommend measures that need to be taken to strengthen these areas. Institutional memory in terms of how many of these functions are to be carried out needs to be developed.

An effective anti-corruption framework that complies with the United Nations Convention Against Corruption (UNCAC) is another area of focus. In 2005, Fiji ranked
57th out of 159 countries in Transparency International’s Corruption Perception Index (CPI) and it scored below the borderline figure for distinguishing countries that do and do not have a serious problem with corruption. Since 2006, Fiji has not been listed on the CPI making it difficult to gauge the impact of significant efforts in recent years such as ratification of UNCAC and the establishment of FICAC, which has led to an increase in arrests and prosecutions for corruption related offences. However, when considering the Worldwide Governance Index aggregate indicator on “control of corruption”, our percentile rank has started to improve slightly; from 35.4 in 2005 to 46.4 in 2008, though still below the 50th percentile rank.

The number of complaints received by FICAC relating to maladministration indicates a high level of public dissatisfaction with service delivery throughout the public sector. In 2008, 2,367 complaints were received, a slight increase from the previous year. A little over half of these complaints were corruption related with the majority relating to abuse of office, forgery of documents with intent to defraud and extortion and fraud by public officers. Other complaints received related to delays in the processing of applications and service delivery complaints, which were then referred to relevant authorities.

A report by a UNCAC Observer Team on the country’s progress towards meeting its obligations under the convention will provide the basis for measures that need to be taken to fully develop the country’s anti-corruption framework. In the meantime efforts to strengthen the capacity of FICAC to enable the effective performance of its functions will continue.

Generally, the accountability framework needs to be strengthened to address the concerns highlighted above. This includes capacity strengthening for the country’s democratic and accountability institutions to entrench a culture of sustainable democracy and good and just governance. This can only be achieved when systems designed to prevent abuse of office, the misuse of public resources and maladministration across the public sector are working efficiently and effectively. Reforms are also necessary for ending the coup culture noting Principle 9 of the 14 Key Principles, which requires the adoption of measures to: “strengthen the accountability and transparency of State institutions, the private sector and civil society organisations in particular to enhance their adherence to the rule of law.” Reforms to the accountability framework will focus on:

a. entrenching a culture of democratic good governance through education and broadcast programmes on the principles of democracy and good governance;

b. strengthening the capacity of democratic and accountability institutions to ensure effective performance of their accountability functions;

c. the adoption of Freedom of Information and Code of Conduct laws to provide for open, transparent and accountable Government; and

d. media reforms to enhance industry regulation, protect media freedoms and maintain the accountability of media organisations and journalists.

4 TI considers a score of 5.0 to be the borderline figure distinguishing countries that do and do not have a serious problem with corruption. Fiji’s score was 4.0.
2.1.6 Public Sector Reform

The Public Sector in Fiji is in a serious predicament. Its performance, professionalism, productivity, accountability, cost and commitment have been heavily criticised in recent years. While many public servants try hard to do their jobs as honestly and as effectively as possible, the impact of four coups, weak leadership, the politicisation of the service itself, a massive exodus abroad of skills, competencies and institutional memory, and various other constraints have taken their toll.

Pressures for PSR are emanating from the economic and fiscal performance of the nation, the need to build a service culture that is committed to supporting the people of Fiji, the need to modernise work systems, external pressures from international development partners and donor funding communities, and a vocal private sector and civil society.

The core paradigm for reforms has been that the quality of governance affects people’s lives. In other words, where the Public Sector through its institutional structure offers inefficient, ineffective and poor quality programmes, support for national development is likely to be constrained, possibly compromised or even undermined. The World Bank concluded recently that PSR has ‘great potential to reduce poverty’ and that ‘good government institutions are associated with higher income growth, national wealth, and social achievements. The current consensus is thus that PSR matters a great deal for national development, and in at least two ways: first, it will lead to better delivery of the basic public services that affect the living standards of the poor; and second, it will create a climate conducive to private sector development.

Civil Service Reform

The Civil Service Reform (CSR) Programme commenced in 1994 and was aimed at improving efficiency, productivity, accountability and transparency in the civil service. The three key components of the CSR program are in the areas of: (i) Human Resources Management; (ii) Productivity Management; and (iii) Organizational Management. Major milestones achieved include the restructuring of the PSC in 1997 and 1998; the enactment of the Public Service Act and subsidiary regulations; the development of the Senior Executive Services (SES) Programme; the contracting of Chief Executive Officers (which was later terminated in 2006); the introduction of three-year industrial relations agreements; the development of the Performance Management System; and the development and implementation of the Service Excellence Awards Framework.

Current reform initiatives being undertaken include the review of the government machinery, restructuring/reorganization of government agencies, right sizing, reduction in the retirement age, development of a Human Resource Information System, review and implementation of the Service Excellence Award Framework and business process re-engineering. Other initiatives include the review of disciplinary procedures to speed up the process and the proposed setting up of a Government Information and Referral Centre to become the focal point for information and referral to all other Ministries/Departments.
The main priorities with regards to CSR are restructuring, modernising human resource management and remuneration, rebuilding the capacity of the Public Service, and E-government.

The restructure of the Public Service, which necessitates the functional reviews of all agencies is vital to remove duplication and enable human resources and structures to be aligned to serving Fiji’s people better. Leadership development will also be enhanced to rebuild a committed, visionary, highly competent and more accountable leadership group. Public service leaders will need to play an important role in efforts to rebuild professionalism within the service. Contracting-out opportunities will be further explored as a means of cutting costs. Remuneration systems also need to be modernized, based on demonstrated productivity increases, to reward competent and committed individuals, while at the same time penalizing non-performers. Contract employment arrangements for all members of the Senior Executive Service would be pursued to be completed by the end of 2009.

The capacity of the Public Service needs to be rebuilt to build a new service-orientated, more accountable and ethical culture in the Public Service. Focus should be placed on human resource planning to meet the Public Service’s future needs and succession planning by selecting, managing and fast-tracking the careers of promising graduates and middle-level staff. Selected e-government opportunities will continue to be identified and pursued to improve service delivery and internal management in Government Ministries.

**Public Enterprise Reform**

The Public Enterprise Reform (PER) policy was first introduced in 1993 as part of an economic reform package. The reform program focused on ensuring that public enterprises provide the maximum benefit to taxpayers through improved management of the enterprises. It was hoped that many of the loss-making enterprises when re-organized and commercially focused would be in a position to provide the Government with a higher return on public investment.

The goals of the PER program are to ensure public entities: (i) become more efficient, productive, accountable and better organized; (ii) provide optimum return on investment; and (iii) to establish an appropriate legal framework for each re-organized enterprise.

The Public Enterprise Act (1996) provides a comprehensive legal framework for implementing the reform program. Its coverage extends to all Public Sector commercial activities, including those of fully owned companies, statutory authorities and government departments.

There are currently 11 Government Commercial Companies (GCCs) (including a subsidiary) and 4 Commercial Statutory Authorities (CSAs) under the public enterprises portfolio. GCCs have the sole objective of being profitable while the CSAs in addition to
having commercial objectives also have non-commercial objectives which can be regulatory or technical in nature, under the line Ministry legislations. In addition, the Ministry also monitors 2 majority owned GCCs, namely the Pacific Fishing Company Limited (PAFCO) and Fiji Hardwood Corporation Limited.

Financial performance indicators show that state owned enterprises have performed quite poorly in the last ten years. Returns on Shareholder’s Funds of existing public enterprises have continued to be about 3% in aggregate. Few public enterprises are able to finance their investments from internally generated funds and the modest target of a 10% return on assets is rarely achieved, overall returns are some 3% and well below the opportunity cost of capital. The government has capital equivalent to 30% of GDP tied up in largely unprofitable public enterprises. In 10 years they have returned only a total of $14m to government through dividends.

In part, the variability in performance can be attributed to the political agenda’s of past governments who had varied perceptions of reforms that led to several “start stop approaches” in the reform process. Other factors include the provision of social service obligations which are not fully paid for, absence of commercial oriented culture and attitudes in the reorganised entities and management not having full commercial autonomy in running the operations. Good corporate governance and management requires the separation and clarification of the powers and responsibilities of ownership, governance and management in public enterprises. Political involvement in the running of enterprises should be limited to priority policy directions that are required to be published.

The reform process under the Public Enterprises Act is in itself a lengthy procedure resulting in planned reform timelines having had to be revised regularly. The Department of Public Enterprise has revised the procedures with the intention to speed up the process so that planned returns are realised early.

Apart from the 17 entities under the PE portfolio, work is in progress to reorganise, corporatise and privatise a host of other entities. A set of priorities have been established for the accelerated programme with an indicative work plan up to mid-2008 which includes:

- re-organisation of: (i) Department of Immigration; (ii) Department of Quarantine; (iii) Ministry of Agriculture; (iv) Fiji Islands Maritime Safety Authority; (v) Management of Government Quarters; (vi) Fiji Film and TV Unit; (vii) Coconut Industry Development Authority;
- corporatisation of: (i) Department of Water and Sewerage; (ii) Mechanical engineering and electrical sections of the Public Works Department; (iii) Department of Government Supplies; (iv) Department of National Roads; (v) Trade and Manufacturing Accounts (TMA); and
- divestment/privatisation of: (i) Fiji Broadcasting Corporation Ltd; (ii) Food Processors Ltd; (iii) Fiji Tannery; (iv) Ports Terminal Ltd; (v) Fiji Hardwoods Corporation Ltd; (vi) Yaqara Pastoral Company and Batiri; (vii) Airports Fiji Ltd;
(viii) Fiji Ships and Heavy Industries Ltd; (ix) Rewa Rice Ltd; (x) Government Printing.

This can be considered an ambitious, stretch target which recognises the scale of the challenge. But it is achievable. And the greater the extent to which it is achieved the greater the benefits which will be gained for Government and for national economic development.

The Public Private Partnerships (PPP) Act 2006 establishes a range of legal options for ownership and operation of entities which fall between full public or private ownership. PPPs are arrangements which, irrespective of the corporate or legal form, bring together state assets or expertise and private sector assets or expertise to provide infrastructure or services at competitive prices. It has the potential to increase the overall efficiency of public infrastructure and service provision whilst reducing demands on Government resources, thus allowing it to concentrate public funds on provision of those goods and services which cannot generate adequate financial returns but do create the social and economic outcomes which Government seeks.

Financial Management Reform

The Financial Management Reform (FMR) programme which re-commenced in 2001 is geared towards enabling Government to better implement its policies, and deliver public goods and services more efficiently and effectively. The reforms provide the institutional framework for more accountability and transparency, and better management in the use of public resources. It is intended to strengthen and modernize the management of government finances to: (i) better align government policy priorities with budget resources; (ii) adopt a performance focus; (iii) provide more effective control over public spending; and (iv) strengthening accountability and transparency in financial management.

The FMR has four key components; namely the (1) Financial Legislation and FMR Policies; (2) the development and implementation of the Financial Management Information System (FMIS); (3) the introduction of Performance Budgeting; and (4) Change Management.

The new Financial Management Act and its associated policies and regulations have been in place since January 2004. A progressive approach is being adopted in devolving financial authorities and incentives to Permanent Secretaries, in line with their ability to manage their financial allocations. The automated processes brought about through the FMIS have brought about changes to accounting procedures and processes, resulting in the review of the Finance Instructions.

The FMIS implementation was completed in October 2007 with all ministries and departments now “live” with the FMIS. Functional and technical support continues to be provided to all agencies to ensure that all FMIS processes are fully complied with. Ongoing FMIS training is provided for all users, particularly the special user groups such
as accounting heads and super-users which focuses on their different areas of responsibilities. The FMIS post implementation activities will mainly focus on agencies retraining, system support, monitoring, development of further system reports and capacity building.

Ongoing training and capacity building program continues across government. In addition, Performance Budgeting is being gradually implemented across government, with agencies reporting on the implementation results of one or two budget funded programmes. Over the years, this reporting will gradually extend to cover more programmes as expertise and skills in the area is built up.

The implementation of the new FMIS provides opportunities now to ensure better reporting and monitoring of government expenditure and to enhance accurate expenditure management; to improve financial management capacity across all Ministries and agencies; to introduce further improvements to performance measurement of the outputs of each Ministry or agency; and to ensure greater involvement in, and accountability for, financial management by senior managers. More action is needed to better link the budget, financial management, corporate planning and planning reforms to give effect to the Government’s priorities under the Peoples Charter; to achieve the Government’s policy objectives; to support the overall Public Sector Reform; and to further improve on the outputs to be delivered by each Government Ministry or agency.

**Reform Challenges**

The PSR Programme is aimed at ultimately improving service delivery and the efficiency and effectiveness of the public service. However, challenges abound.

The public sector needs a new vision to challenge and inspire its performance. The new vision for rebuilding Fiji’s Public Sector for the 21st Century should be enunciated in the twelve points highlighted in the SNE, which amongst other things promotes a new workplace culture, a commitment to delivering excellent service to the public, making effective and efficient use of resources. It also emphasizes adopting a leadership style that is inclusive, visionary, professional and empowering.

The management of the reform process needs to be improved and strengthened. Proper coordination is required so that reform efforts are balanced and appropriately sequenced. A related concern is that public service unions seem to have developed a lasting antagonistic relationship over PSR issues and have quite effectively undermined much needed changes in the Public Sector from time to time.

Another issue that needs to be addressed relates to the unsatisfactory manner in which the relationship between the Government and the Public Sector has developed. Some of this role confusion has happened because of lack of clarity and political involvement which undermines morale and professionalism. It is essential that the independence and professionalism of the Public Sector be restored. A clear demarcation between political roles and Public Sector roles is needed. This demarcation requires that the Minister’s
policy-making and strategic management roles are defined by law, with the Public Sector responsible for delivering outputs and outcomes in accordance with Government priorities. Legal provision should also be made for removal of political involvement in day-to-day management of the Public Sector, and a prohibition placed on interference in merit based selection.

2.1.7 Indigenous Institutions

The Fijian Administration is charged under the Fijian Affairs Act to be responsible for the good governance and well being of the Fijian people. Good governance in relation to indigenous Fijian administration is concerned with the application of principles such as accountability, rule of law, transparency, equity, consensus orientation, participation, effectiveness and efficiency and responsiveness.

A number of institutions were established to support the advancement of the interests of indigenous Fijians. Its structure and systems were been designed for this purpose. However, questions have been raised about whether they are adequate to meet the concerns, needs and aspirations of all Fijians, including those residing in urban areas and who have adopted an urban lifestyle.

These institutions include: the (i) Bose Levu Vakaturaga (BLV) (Great Council of Chiefs); (ii) Fijian Affairs Board; (FAB) (iii) Native Lands Trust Board; (iv) Ministry of Indigenous Affairs; (v) Ministry of Provincial Development; (vi) Provincial Councils; and (vi) business development initiatives such as Yasana Holdings, Vanua Development Corporation, the Fijian Trust Fund and Fijian Holdings Limited.

Numerous reviews of the Fijian Administration were commissioned by past governments to examine ways in which the performance of these institutions can be improved. One such review included the PricewaterhouseCoopers Review in 2000. The recommendations of this review were not accepted by the Great Council of Chiefs and as such were not implemented by Government.

A study commissioned by the FAB in 2005 made substantial recommendations on the institutional strengthening of the Board and the provincial councils. These recommendations were endorsed by Government in 2005 but implementation was staggered because of the prohibitive cost of the exercise. Questions were also raised on the effectiveness of the proposed recommendations to address the concerns, needs and aspirations of all Fijians.

The Interim Government commissioned the Independent Investigation of Institutions Fijian (IITIF) in early 2007 to review the roles and to recommend reforms in, the Native Land Trust Board, Fijian Affairs Board, Provincial Councils, and business development initiatives such as Yasana Holdings. The report by the IITIF has been adopted by the Fijian Affairs Board. The Board has further examined the report to determine recommendations that are to be implemented, delayed or eliminated.
In addition, the Interim Government appointed a six member taskforce in 2008 to review the role of the Great Council of Chiefs (GCC) in its traditional and national role. The review made recommendations to changes to the membership structure of the Council and the direction it should take in its traditional and national roles. This was facilitated through changes to appropriate legislations.

A review of the 2005 restructure proposals for the FAB and the Provincial Councils was also undertaken in 2008 and there are new recommendations adopted from the report for implementation. Funding constraints has delayed the implementation of new proposals.

The Ministry of Indigenous Affairs has also put in place a 3 year phased implementation for its re-organization which has been approved and endorsed by the Public Service Commission.

**Challenges/Constraints**

All reviews undertaken of Indigenous Institutions suggest significant problems of underperformance. In a number of institutions there has been low observance of financial protocols and low participation by stakeholders. Accountability and transparency have been noticeably lacking across institutions. At Provincial Council level, the style of operation is top down rather than truly participative. Tikinas have lacked autonomy in decision-making at grassroots level. The Ministry of Indigenous Affairs recognizes the need for change but is caught between two mindsets that it must deal with in the indigenous population. Because of lack of practice of good governance, in particular transparency and accountability, as well as a traditional culture of silence, it is not clear what impact some of the indigenous Fijian institutions are having on the indigenous population.

The benefits received from these institutions are at times perceived to be unfairly or unevenly distributed. There are many who express suspicion that in the past, in some particular indigenous Fijian institutions, large amounts of money have been lost, either through mismanagement, corruption or waste or channelling to a small number of elite beneficiaries. The suspicions are further fuelled by the lack of proper audited accounts - in some cases for more than 10 years. While some of the companies such as Fijian Holdings Ltd and Yasana Holdings Ltd are prosperous, however the degree to which this wealth trickles down to ordinary Fijians is not clear.

The indigenous Fijian administration’s operating principles are drawn from colonial times. Then the institutions were concerned with regulation and control of natives in a society that was used to taking direction rather than making decisions that involved business judgments. This has far too often created a state of learned powerlessness and dependency rather than assisting social and economic advancement. This operating paradigm has also created a lack of initiative and drive.

Leadership values and capacity are also acknowledged to be part of the problem. Leadership values have tended to favour supporting self-interest and the interests of elites.
rather than advancing the common interests of local communities. They have also favoured autocracy over more participative decision-making. Some of the other traditional values do not sit well with capitalist values. The competitive and work ethics of capitalism also challenge those with laid back attitudes to life. There is also a lack of capacity and understanding of the values of business cultures. Arising from such changes in capacity and culture will come business opportunities.

The dual system of indigenous Fijian Administration is no longer justified. The creation of a more integrated organisational structure for indigenous Fijian administration is warranted rather than continuing with dual bodies, with integrated roles and functions to be identified in relation to advancing the well-being of the indigenous Fijian people and their good governance.

**Strategic Priorities**

The adoption of an integrated organizational structure would enable the combining of the best of traditional culture with the modern values needed to promote economic and social development and good governance. The new institutional framework should be democratic, inclusive, participative, and entrepreneurial in outlook and dedicated to the practice of good governance.

The operating paradigm within which these institutions operate needs to change so that it is more concerned with building local capacity, promoting empowerment and encouraging at least the more enterprising indigenous people to start taking steps towards a more entrepreneurial culture.

Giving greater attention to good governance issues should be a top priority in respect of all institutions that are part of the indigenous Fijian administration. This should include amongst other issues; the adherence to a framework for good corporate governance, including a code of conduct and customised guidelines for council bodies; strategic planning involving the setting of published performance targets; participative dialogue processes with stakeholders; adoption of more participative and responsive business practices involving regular consultation with clients on their expectations and on what the institutions have in fact achieved; proper auditing of accounts; proper management of, and accounting for, expenditure; and appointment of staff on merit with a focus given to development of sound human resource management practices.

Some role changes are also needed which includes developing a new Vision and related policy development; leadership in winning the support of the Indigenous People for the new vision; operationalising the new vision, including through a good governance framework; capacity building and the development of entrepreneurial practices.
2.1.8 Leadership

Good leadership and good governance are inter-related; good governance cannot be achieved without good leadership. Addressing the issue of leadership is therefore of great importance to the future of the country.

Leadership does not only occur at the state or national level. While Fiji needs good leaders at national level to guide and steer, leadership also occurs in the village, in towns and cities, in the family, in the private sector, civil society and in churches. The lives of ordinary people are most affected by leadership at this level. Effective leadership is therefore needed in a variety of contexts.

Various types of leadership interact in Fiji’s society. On the one hand, there are those who lead by virtue of their birthright: while on the other hand, there are democratically-elected leaders who hold office by virtue of election by popular vote. Both sources of leadership are required although the basis of their legitimacy differs, as does the scope of their responsibilities.

At all levels, the type of leadership in Fiji is seen as a contributing factor to many of the country’s problems. Leadership at the national level has always been a subject of debate even during periods of stable Government. One point of view is that the style of political leadership in Fiji has, and continues to be, dominated by ethnic issues solely focused on protecting the interests of one’s own ethnic community. This style of leadership has contributed to a failure to act in the best interests of the whole nation.

The country has experienced four coups in a period of 20 years, and its economic performance is steadily declining. Significant human capital is leaving the country, and much land remains under-utilised. The country’s multi-racial population has maintained a certain rapprochement for 150 years, but it is one in which neither side feels completely understood or valued by the other, and few leaders at national level have attempted to bring the races together in more than a perfunctory, politically expedient manner. Most educational services, professional associations, and even sporting bodies, are formed along broadly racial lines. Fiji is a country divided ethnically, religiously, politically, educationally, socially, and economically.

The failure of transactional leadership in Fiji has also meant that successive regimes have not addressed the fact that more than 60 percent of Fiji’s people, of whatever race, are living close to, or beneath the poverty line. This is a major concern because there are enough resources in the country for everyone. However, in governance terms, there is a problem with resource allocation. Fiji has large human resources and physical resources, yet leaders have failed to use them effectively.

Fiji’s leaders also face a number of contradictions between the changing expectations of their responding to the demands of urbanisation and commerce and to the pressures to transform Fiji into a modern state. These pressures, which include issues like globalisation and modernisation, have conflicted with a desire to maintain important aspects of traditional culture.
Fiji needs leaders who demonstrate the following leadership qualities: being trustworthy, just, honest, accountable, selfless, competent, open and transparent, and unite groups and communities. They must be better educated and aware of the effect of globalisation and modernisation. A leader must also be visionary as they set the direction taken by a country, community, organisation or group. Leaders must also have the moral courage to make tough decisions in the national interest.

The need for Fiji’s leaders to display selflessness is a major challenge – that is, to lead for the common good and not through self-interest. While the issue cannot be readily resolved there are measures proposed to ensure that those who come forward are not coming forward for purely personal motives.

More direct action is needed to ensure Fiji’s leaders display those qualities. The ideal is to have leadership that values sustainable democracy, accountability, and other principles of good governance; that society as a whole appreciates and has shared understanding of what is good leadership and expects its adoption by those who enter public life and assume public leadership responsibilities.

Generally, there is a need for clear governance processes, and effective governance institutions, which involve both the State and its citizens. Greater importance must be placed on having a governance system based on finding selfless leaders. The public has a role to play too, through being more vocal about their expectations, and their views on how leaders are performing.

It is necessary to adopt leadership patterns and behaviours more conducive to reaching the country’s shared goals. Elements of this include civic education and improved performance appraisal systems for public leaders, systems that are able to reward purposeful leadership and inhibit negative practices through adoption of more effective codes and laws.

Leaders in Fiji need to employ a more transformational style of leadership that emphasises inclusiveness and seeks improvements in the economic and social circumstances of all citizens. This type of leadership is the best way forward for Fiji. Acknowledging the role of different types of leaders in Fiji, including women, youth, politicians, religious and traditional leaders, and the need for increased dialogue, is also relevant.

Specific actions to be taken to encourage this style of leadership include:

1. the enactment of a Code of Conduct with appropriate enforcement measures, which also covers local government office holders,
2. the development of a new leadership model more suited to Fiji’s emerging development ethos,
3. leadership training and education at all levels, and
4. at the national level, putting in place greater incentives to attract capable leaders.

2.2 Policy Objectives, Strategies and Key Performance Indicators

2.2.1 Electoral & Ancillary Reforms

Goal: An electoral system that allows for “free and fair” general elections and secures appropriate representation for the people in Parliament and Government.

<table>
<thead>
<tr>
<th>Policy Objectives</th>
<th>Strategies</th>
<th>Key Performance Indicators</th>
</tr>
</thead>
</table>
| Free and fair general elections and appropriate representation in Parliament and Cabinet. | • To adopt establish a new legal framework that provides for:  
  a. a new electoral system that does not discriminate against voters or candidates on the grounds of race or gender;  
  b. a voting age of 18 years;  
  c. a 5-year term for Parliament;  
  d. the formation of Cabinet based on Westminster principles of parliamentary democracy; and  
  e. appropriate limitations on the size of Cabinet.  
  • To review the need for a bicameral Parliament, the functions of the Senate and appropriate size of the House of Representatives.  
  • To build the capacity of electoral administration bodies.  
  • Adopt stronger electoral administrative and regulatory measures as regards the implementation of key recommendations of 2001 and 2006 International Observer Missions and SNE Report. | • A credible national voter list with biometric data completed for the next general election.  
  • Establishment of key positions within the Elections Office to enable effective performance of functions by 2011.  
  • General elections under the new system by October 2014.  
  • Reduction in the number of invalid votes from 11% to below 5% for all future general elections.  
  • Public disclosure on reconciliation of ballot papers printed and used in general elections.  
  • Public disclosure on campaign financing and funding of political parties.  
  • Full compliance with the IDEA Five Criteria for Ethical Electoral Administration. |
### 2.2.2 National Security

**Goal:** To ensure peace and prosperity

<table>
<thead>
<tr>
<th>Policy Objectives</th>
<th>Strategies</th>
<th>Key performance Indicators</th>
</tr>
</thead>
</table>
| Improved coordination to meet national security requirements | - Formal establishment of a National Security Council.  
- Ratify remaining UN Counter Terrorism Conventions and implement all conventions.  
- Strengthening of networking between border and security agencies, including a review of current airport and seaport security arrangements.  
- Policy advice on law enforcement issues as regards strengthening key point management and legislation in relation to:  
  a. Complete implementation of Anti-Money Laundering and Mutual Legal Assistance legislation; and  
  b. Review MLA treaties.  
- Adoption of appropriate counter-terrorism laws.  
- Strengthen coordination and effective use of financial data to secure prosecutions.  
- Strengthen capacity and capability to enforce and prosecute for people-trafficking.  
- Develop and maintain effective disaster communications and early warning systems.  
- Coordination of all national security matters through newly established National Security Council by 2012.  
- Complete review of operational machinery for border control systems by 2010.  
- Operational framework for investigating all terrorist activities within Fiji in place by 2014, including establishment of National Intelligence Agency by 2010.  
- 90% success rate for investigating and prosecuting money-laundering cases.  
- Increase detection rate for intended unlawful entry by 15% annually from 2010 to 2014.  
- 15% annual increase in number of illegal immigrants removed from Fiji from 2010 to 2014.  
- Review of Disaster Management Act and National Plan completed in 2011 and implemented by 2012.  
- At least 4 natural disaster training programmes carried out at all levels each year from 2010 – 2014. |
| Redefining the role of the military | - To adopt a new legal framework clarifying the relationship between the military and civilian Governments. | - Constitutional framework setting out the role of the RFMF by 2012.  
- Human security framework for the RFMF adopted by |
## Goal: To ensure peace and prosperity

<table>
<thead>
<tr>
<th>Policy Objectives</th>
<th>Strategies</th>
<th>Key Performance Indicators</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Formulate and implement a human security framework for the RFMF.</td>
<td>• To improve the racial balance of the RFMF.</td>
<td>2011.</td>
</tr>
<tr>
<td>Ending the cycle of coups</td>
<td>• Implementation of Principles 1, 3 and 7 of the 14 Key Principles for Ending the Coup Culture as set out in the Peoples Charter.</td>
<td>• Likelihood of coups substantially reduced – as per desired and targeted outcomes set out above.</td>
</tr>
</tbody>
</table>

### 2.2.3 Law and Justice

Goal: Redressing the law and order situation, enhancing the operation of the courts and improving access to justice to strengthen and uphold the rule of law.

<table>
<thead>
<tr>
<th>Policy Objectives</th>
<th>Strategies</th>
<th>Key Performance Indicators</th>
</tr>
</thead>
<tbody>
<tr>
<td>Improved response to law and order issues.</td>
<td>• Review and reform disciplinary processes for the Police Force and Prisons Service.</td>
<td>• Reduction in complaints and disciplinary offences against disciplined service officers by 50%.</td>
</tr>
<tr>
<td></td>
<td>• Carry out survey to determine the true nature and extent of crime in Fiji.</td>
<td>Police Force and Prisons Service yearly expenditure remain within budgetary allocations.</td>
</tr>
<tr>
<td></td>
<td>• To improve the reporting of crime.</td>
<td>• Maintain a detection rate of at least 70% per year.</td>
</tr>
<tr>
<td></td>
<td>• Reduce serious crimes annually.</td>
<td>• Reduction in overall offence rate by 20% per year.</td>
</tr>
<tr>
<td></td>
<td>• Improve responses to crimes against women and children – upgrading of facilities to deal with these crimes.</td>
<td>• 70% reduction in serious crime and road fatalities.</td>
</tr>
<tr>
<td></td>
<td>• Increase in crime prevention measures – formulation of a community policing framework.</td>
<td>Reduction in crimes against women and children by 20% per year.</td>
</tr>
<tr>
<td></td>
<td>• Establishment of a National Crime Prevention Board.</td>
<td>Reduction in prisons breakouts by 50%.</td>
</tr>
<tr>
<td></td>
<td>• Establishment of rapid response units across Fiji.</td>
<td>Reduce recidivism by 50%.</td>
</tr>
<tr>
<td></td>
<td>• Prison service and facilities to meet international standards by 2020.</td>
<td>Annual increase in non-custodial sentences and community-at-work orders.</td>
</tr>
<tr>
<td></td>
<td>• To reduce recidivism and rehabilitate offenders.</td>
<td></td>
</tr>
<tr>
<td>Effective operation of the courts</td>
<td>• Greater administrative and financial autonomy for judiciary.</td>
<td>Implementation of the Beattie recommendations to provide greater independence to the</td>
</tr>
<tr>
<td></td>
<td>• Improving accountability for</td>
<td></td>
</tr>
</tbody>
</table>

33
Goal: Redressing the law and order situation, enhancing the operation of the courts and improving access to justice to strengthen and uphold the rule of law.

<table>
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<tr>
<th>Policy Objectives</th>
<th>Strategies</th>
<th>Key Performance Indicators</th>
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<tbody>
<tr>
<td></td>
<td>judicial officers.</td>
<td>judicial.</td>
</tr>
<tr>
<td></td>
<td>• More efficient disposal of cases by the courts.</td>
<td>• Adoption and effective enforcement of conduct standards for all judicial officers.</td>
</tr>
<tr>
<td></td>
<td>• Adoption of case management procedures for the Magistrates Court to improve efficiency.</td>
<td>• Adoption of case management procedures for the Magistrates Court to improve efficiency.</td>
</tr>
<tr>
<td></td>
<td>• Full implementation of the recommendations of the Connors Report to improve the Magistrates Court.</td>
<td>• Full implementation of the recommendations of the Connors Report to improve the Magistrates Court.</td>
</tr>
<tr>
<td>Improved access to justice and legal services</td>
<td>• To complete the revision of Fiji’s laws and make them readily available.</td>
<td>• Revised laws available through the Internet by 2010 and hard copies published by 2015.</td>
</tr>
<tr>
<td></td>
<td>• Law Reform Commission to be responsible for the revision of laws.</td>
<td>• Revision of laws undertaken annually from 2015.</td>
</tr>
<tr>
<td></td>
<td>• Extend the work programme for the Law Reform Commission to cover more issues of national importance.</td>
<td>• Complaints against legal practitioners reduced by 50%.</td>
</tr>
<tr>
<td></td>
<td>• To improve accountability for legal practitioners.</td>
<td>• Legal Aid services provided in all Magistrates Court locations throughout the country by 2014.</td>
</tr>
<tr>
<td></td>
<td>• Legal Aid services extended to all major centres throughout the country.</td>
<td>• Achievement of targeted outcomes to improve the services of all legal registries.</td>
</tr>
<tr>
<td></td>
<td>• To increase public awareness of basic legal rights.</td>
<td></td>
</tr>
<tr>
<td></td>
<td>a. Upgrading of legal registry facilities to improve services.</td>
<td></td>
</tr>
</tbody>
</table>
### 2.2.4 Enhancing the Accountability Framework

**Goal:** To strengthen the capacity of democratic and accountability institutions and implement legal and administrative reforms to enhance the accountability of the public sector.

<table>
<thead>
<tr>
<th>Policy Objectives</th>
<th>Strategies</th>
<th>Key Performance Indicators</th>
</tr>
</thead>
</table>
| An entrenched culture of democratic good governance | • Teaching good governance in schools through incorporation into civic education curriculum.  
• Development and broadcasting of programmes on good governance through the public broadcaster.  
• Increased support for civil society involved in promoting and advocating good governance.  
• Improve cooperation with international and regional agencies on good governance projects.  
• Adoption of 2008 CERD Recommendations for compliance with the Convention for the Elimination of All Forms of Racial Discrimination. | • Desired Outcome: Increased public awareness of principles of good governance and raising expectations of performance by public officials.  
• Targeted Outcome: Appropriate number of programmes to be carried out annually will be identified after formulation of strategies.  
• Adoption of Anti-Discrimination law by 2012. |
| Enhanced public sector accountability and participation in governance | • Carry out capacity building for accountability and democratic institutions like FICAC, OAG, Judiciary and Elections Office.  
• Adopt Freedom of Information law.  
• Adopt a Code of Conduct law to enforce conduct standards for holders of high public office.  
• Adopt measures to improve parliamentary oversight immediately following the next general election. | • Public sector mal-administration reduced by 10% annually.  
• Audit queries reduced by 10% annually.  
• FOI law by 2010. Implementation of FOI processes – greater public access to Government documents and information – targeted outcomes to be set when FOI is implemented.  
• Code of Conduct law by 2010 – targeted outcomes to be set when Code of Conduct is implemented.  
• Stronger parliamentary committee scrutiny of public administration – targeted outcomes to be set when Parliament resumes |
Goal: To strengthen the capacity of democratic and accountability institutions and implement legal and administrative reforms to enhance the accountability of the public sector.

<table>
<thead>
<tr>
<th>Policy Objectives</th>
<th>Strategies</th>
<th>Key Performance Indicators</th>
</tr>
</thead>
</table>
| A free and responsible media that contributes to good governance | • Review and reform media industry legislation to provide for regulation of licensing, foreign ownership and independent enforcement of professional standards of the media.  
• Consolidate and up-date laws that give effect to constitutional limitations on freedom of the press.  
• Encourage the recruitment of qualified journalists and an increase in training through existing programs. | • Effective protection of media freedom and enforcement of conduct standards for media organisations and journalists.  
• Free and accountable media – efficient resolution of media complaints – targeted outcomes to be set following implementation of reforms. |
| An effective anti-corruption framework                      | • Basic legal framework for the existence of an anti-corruption agency set out under the Constitution.  
• To set up processes to enable full compliance with the United Conventions Convention Against Corruption 2003.  
• A well resourced Independent Commission Against Corruption (FICAC).  
• To increase public awareness and education programmes of dangers of corruption and existence of anti-corruption measures. | • FICAC re-established as a independent constitutional office with authority to investigate and prosecute cases of corruption.  
• Full implementation of the recommendations of made by UNCAC Observation Team to enable compliance with UNCAC.  
• Fiji’s ranking under Transparency International’s Corruption Perception Index, covering 159 countries, improved from the present rank of 55.  
• Conviction rates of at least 90% per year for all corruption cases. |
### 2.2.5 Public Sector Reform

Goal: To improve public service delivery and improve public sector efficiency and effectiveness through public sector reforms

<table>
<thead>
<tr>
<th>Objectives</th>
<th>Strategies</th>
<th>KPI</th>
</tr>
</thead>
<tbody>
<tr>
<td>Improve performance and efficiency (cost effectiveness) of the Public Service</td>
<td>• Public Sector Institutional development &amp; alignment (A whole of government approach)</td>
<td>• Functional review of all Ministries to determine the most appropriate and suitable functions and structure in the current economic environment.</td>
</tr>
<tr>
<td></td>
<td>• Develop PSR roadmap and expedite reform process</td>
<td>• Guideline for the establishment of Ministries / Departments</td>
</tr>
<tr>
<td></td>
<td>• Public Sector Accountability- Monitoring and evaluation capacity development and management.</td>
<td>• Cost of the public service reduced by 30% by 2011 (10% annually from 2009-2011)</td>
</tr>
<tr>
<td></td>
<td>• Development of Leadership capacity</td>
<td>• Roadmap developed by 2009</td>
</tr>
<tr>
<td></td>
<td>• Specific areas requiring</td>
<td>• Institutional monitoring and evaluation frameworks (policies and practices) in place.</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Independent survey by external body yearly</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Development and Management Plan and Program for <em>(Categories of Leaders?)</em></td>
</tr>
<tr>
<td></td>
<td></td>
<td>• APA incorporates required areas for</td>
</tr>
</tbody>
</table>

5 Public Sector functions “in context” are the key functions and roles that government views would facilitate its overall economic and social development aims and objectives within the next 5 years. Alignments of institutional capacity by way of the design of the structure of the machinery of government (type and number of ministries and dept).
Goal: To improve public service delivery and improve public sector efficiency and effectiveness through public sector reforms

<table>
<thead>
<tr>
<th>Objectives</th>
<th>Strategies</th>
<th>KPI</th>
</tr>
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<tbody>
<tr>
<td></td>
<td>* Improvement to be incorporated in PS’s Annual Performance Agreement (APA), with incentives to be based on demonstrated achievements*</td>
<td>* Improvement - April 2009*</td>
</tr>
<tr>
<td></td>
<td>• Review and Improve Terms Conditions of Employment</td>
<td>• Relevant Policies to be reviewed.</td>
</tr>
<tr>
<td>Improving the quality of services</td>
<td>* Promote Innovations and Best Management Practices in Public Service delivery</td>
<td>* Service wide implementation of the Service Excellence Framework*</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Annual Evaluation of the implementation Service Excellence*</td>
</tr>
<tr>
<td></td>
<td></td>
<td>a. Service Excellence Evaluation results highlight major improvement in organizational management systems and service delivery</td>
</tr>
<tr>
<td></td>
<td></td>
<td>b. Introduction of Service Charters in each agency by end 2009*</td>
</tr>
<tr>
<td>Improve employee performance</td>
<td>* Develop a National Human Resource Management &amp; Development (HRMD) Plan*</td>
<td>* National HRMD Plan developed by December 2009*</td>
</tr>
<tr>
<td></td>
<td>• Human Resource Management capacity development in the public sector</td>
<td>• Reorganization of public sector training based on Capacity Needs Assessment and addressing specific and position related skills development.</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Development of a*</td>
</tr>
</tbody>
</table>
Goal: To improve public service delivery and improve public sector efficiency and effectiveness through public sector reforms

<table>
<thead>
<tr>
<th>Objectives</th>
<th>Strategies</th>
<th>KPI</th>
</tr>
</thead>
<tbody>
<tr>
<td>a. Recognition &amp; Reward Systems based on productivity &amp; meritorious performance.</td>
<td>• Re-look at the PER processes, and identify improvements to the process</td>
<td>• Simplified public enterprise restructuring process by June 2009</td>
</tr>
<tr>
<td></td>
<td>• Ensure that the timetable for restructuring is met, with public reporting</td>
<td>• Timeline for restructuring adhered to</td>
</tr>
<tr>
<td></td>
<td>• Divestment of public entities</td>
<td>• 3-5 public entities sold into private ownership by 2010</td>
</tr>
<tr>
<td></td>
<td>• Develop a contracting out framework</td>
<td>• Framework developed by end June 2009</td>
</tr>
<tr>
<td></td>
<td>• Identify government activities that can be outsourced to the private sector</td>
<td>• 5 government activities to be outsourced by end 2009</td>
</tr>
<tr>
<td></td>
<td>• Study to determine the impacts of corporatisation of public utilities especially the pricing structure versus service delivery</td>
<td>• Study result by 2011</td>
</tr>
<tr>
<td></td>
<td>• Corporatisation of key problem areas of water and roads</td>
<td>• Water services corporatised by end 2010</td>
</tr>
<tr>
<td></td>
<td>• Improve profitability, and accountability of Public Enterprises</td>
<td>• Roads corporatised by end 2011</td>
</tr>
<tr>
<td></td>
<td>• Reduce government funding towards Public Enterprises</td>
<td>• Less than 5% of GDP tied up in Public Enterprises by 2010</td>
</tr>
<tr>
<td></td>
<td>• Introduce specially negotiated profit/return</td>
<td>• Individual targets set by</td>
</tr>
</tbody>
</table>
Goal: To improve public service delivery and improve public sector efficiency and effectiveness through public sector reforms

<table>
<thead>
<tr>
<th>Objectives</th>
<th>Strategies</th>
<th>KPI</th>
</tr>
</thead>
</table>
| targets for public enterprises | • Capacity building and cultural change on new commercialization approach  
• Reward incentives to be based on achievement of specially negotiated targets  
• Develop a National Code of Corporate Governance | March 2009 |
| | • Professional Development Programs organised for Public Enterprises executives/employees  
• Guideline developed to define criteria for payment of incentives by June 2009  
• Code developed by September 2009 | |
| **Enhance performance focus in resource allocation and strengthen financial accountability** | • Continue with introduction of performance budgeting  
• Introduce accrual accounting  
• Introduce revenue retention by agencies | • Performance budgeting gradually implemented in ministries in 2009 and full implementation by 2013  
• Full adoption of accrual accounting by 2012  
• Revenue retention activated by end 2009 |
### 2.2.6 Indigenous Fijian Institutions

**Goal:** Well governed Indigenous Institutions that effectively execute their mandated role of improving the well being and governance of the indigenous people.

<table>
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<tr>
<th>Policy Objectives</th>
<th>Strategies</th>
<th>Key Performance Indicators</th>
</tr>
</thead>
<tbody>
<tr>
<td>Develop a well coordinated and effective change program</td>
<td>- Develop a roadmap that properly sequences proposed changes to Indigenous Institutions and Administration</td>
<td>i. Roadmap developed by July 2009</td>
</tr>
<tr>
<td>More accountable and transparent Indigenous Institutions</td>
<td>- Creation of a more integrated organizational structure for Fijian administration</td>
<td></td>
</tr>
<tr>
<td></td>
<td>- Develop a common vision to be a guiding principle for the Indigenous Institutions</td>
<td></td>
</tr>
<tr>
<td></td>
<td>- Development and implementation of a good governance framework covering financial management, accountability, transparency and management systems and practices</td>
<td>i. Integrated organizational structure in place by March 2010</td>
</tr>
<tr>
<td></td>
<td>- Develop performance standards relating to social, cultural, spiritual and economic advancement to be employed by each indigenous Institution</td>
<td>ii. Vision adopted by end 2010</td>
</tr>
<tr>
<td></td>
<td>- Develop a reporting mechanism to Parliament, Province, Tikina and Village Councils</td>
<td>iii. Good governance framework encompassing ethics, accountability mechanism, disciplinary procedures etc. developed by end of 2009 and implemented thereafter</td>
</tr>
<tr>
<td></td>
<td></td>
<td>- All outstanding accounts of Indigenous Institutions are audited by Dec 2010</td>
</tr>
<tr>
<td></td>
<td></td>
<td>iv. Performance standards incorporated by end 2010</td>
</tr>
<tr>
<td></td>
<td></td>
<td>v. Reporting mechanism developed by end 2009</td>
</tr>
</tbody>
</table>
Improve performance of Fijian Administration at Provincial, Tikina and Village levels

i.

ii. Develop a code of conduct and customized guidelines for council bodies

v. Code of conduct developed by September 2009

v. Training conducted for 3

vi.

ii. Capacity building and training programs covering leadership, management, ethics, accountability, professionalism etc to be conducted for different levels of administrators

v. Provinces by end 2009 and cover remaining provinces by end 2011
### 2.2.7 Leadership

**Goal:** Effective, Enlightened and Accountable Leadership

<table>
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<tr>
<th>Policy Objectives</th>
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<th>Key Performance Indicators</th>
</tr>
</thead>
<tbody>
<tr>
<td>Rebuilding a committed, visionary, highly competent and more accountable leadership group</td>
<td>• Develop new models of political, public and traditional leadership</td>
<td>• Leadership Models developed by December 2009</td>
</tr>
<tr>
<td></td>
<td>• Public Awareness/Civic education programme on leadership qualities</td>
<td>• Continuous public awareness</td>
</tr>
<tr>
<td></td>
<td>• Develop and implement a Public Sector Leadership Development Programme to be mandatory for the varied levels of senior executives in the Civil Service (US04 &amp; above)</td>
<td>• Training programmes developed by June 2009 and implemented by September 2009</td>
</tr>
<tr>
<td>Greater Accountability for Holders of High Public Office</td>
<td>• Drafting of Code of Conduct Bill</td>
<td>• Draft Bill by end 2009</td>
</tr>
<tr>
<td></td>
<td>• Strengthen the independence and neutrality of PSC and the</td>
<td>• Legal provision to define clear demarcation of roles by</td>
</tr>
</tbody>
</table>

Empowerment of Indigenous Fijians to fully utilize their resources for their economic and social advancement

i. Undertake social audit of life at village level, upon which to base training and capacity building programs

ii. Continuous training and capacity building to develop business and entrepreneurial skills and corporate governance

iii. Increased involvement of the Indigenous population in business and commercial ventures

i. Social audit conducted

ii. Training programmes implemented

iii. Increase in number of viable businesses registered under the IFBC
<table>
<thead>
<tr>
<th>Public Service</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Removal of political involvement on Public Service appointments</td>
</tr>
<tr>
<td>end 2009</td>
</tr>
</tbody>
</table>
CHAPTER 3
Chapter 3 Economic Development

3.1 Macroeconomic Performance

3.1.1 International Economy

The world economy has performed relatively well between 2001 and 2007 with exceptional performance from emerging markets such as Russia, China and India. In 2008, a number of challenges emerged for the global economy as it started slowing down. The world economy fell into a recession in 2009 as problems from the United States sub-prime mortgage market spilled into other credit markets. At the same time prices of food and oil surged adding to inflationary pressures worldwide creating severe hardships for many low-income countries. World growth since 2001 and forecasts by IMF until 2011 are reflected in Figure 3.1.

Global growth prospects continue to remain weak, despite wide range of policy actions taken by governments. Our major trading partner economies, except China and India are expected to also contract in 2009 as a result of the financial crisis with global contraction forecasted at 1.3 percent. In 2010 economies are expected to record marginal growth with continued recovery thereafter. Prices have somewhat declined as a result of global slowdown being experienced. Commodity prices remain weak; however, crude oil prices are making gains as demand recovers.

3.1.2 Regional Economy

The GDP performance of major island economies has generally been positive since 2001. Fiji’s economic performance between 2001 and 2006 was relatively stable although it performed only better than Vanuatu and Papua New Guinea. The Solomon Islands, in particular, has reported exceptional growth since 2003 and is expected to manage the effects of the global downturn with relative ease.

Source: World Economic Outlook Database
The downturn in regional economies from 2009 onwards (Figure 3.2) resulting from the global financial and economic crisis is likely to be more severe than anticipated as demand for Pacific export commodities, tourism arrivals and remittances decline.

The recessionary effects in island economies are more pronounced given the slowdown in Australia and New Zealand. These economies are the largest sources of visitors for Pacific tourism. The actual and forecast economic growth rates of Australia and New Zealand for the period 2001 to 2011 are shown in Figure 3.3.

The risks of slowdown in tourism and lower than expected prices of commodities for the island economies are expected to remain in the medium term.

### 3.1.3 Domestic Economy

Fiji’s economic growth performance has remained relatively weak since 2001 averaging only 1.15 percent growth until 2008 (Figure 3.4). The sluggish growth in recent years has largely been a result of declining contributions from sugar and garment industries. These declining contributions have barely been offset by modest growth in other sectors such as tourism, bottling water and biscuit manufacturing. A contraction is expected in 2009 with modest recovery thereafter.

Historically, Fiji enjoyed preferential market access to the EU for sugar and the US for garments. However, with progressive decline and elimination of these preferences, the performances of sugar and garment industries have declined resulting in lower GDP growth rates.

Since 1990 Fiji has looked outward for an export led growth strategy; however, economic growth rates have on average been lower than the preceding period. Since 2007 government has made efforts to implement institutional reforms to facilitate sustained economic growth. Setbacks to such efforts have been a result of natural disasters and global economic slowdown. The socio-economic progress of the nation is dependent on how the domestic and external challenges are managed in partnership with the private sector.
Government’s focus in economic development will encompass:
1. Enhancing development cooperation throughout the government machinery;
2. Emphasizing rural development to prevent excessive rural-urban shift of the workforce;
3. Maintaining macroeconomic stability;
4. Implementing the National Export Strategy;
5. Supporting the agricultural sector;
6. Reforming the sugar industry;
7. Developing and strengthening the Financial Sector
8. Facilitating domestic investment;
9. Encouraging foreign investment; and
10. Making available unused but productive land of all classes while ensuring that returns to landowners are market based.

3.1.4 Consumption

Private consumption has been steadily increasing since 2001. Figure 3.5 shows the level of private consumption for the period 2001-2011. The estimates, reported for 2006-2011 period have been based on actual and forecasted VAT collections.

There is concerted effort from government to encourage consumption of locally grown and manufactured products to provide development opportunities for local farmers and industries. The recent devaluation of the Fiji dollar with a view to discourage imports is also expected to raise consumption of domestically grown and manufactured products.

3.1.5 Inflation

Inflation has been relatively stable apart from fuel price related increases in 2003 and compounded food and fuel price increase in 2008 (See Figure 3.6). The Reserve Bank of Fiji through its prudent monetary policy measures continues to maintain inflation at low levels. Low trading partner inflation as well as softer international commodity prices has also helped in keeping inflation low. The global economic slowdown in late 2008 and 2009 has led to fall in prices in
general. In 2009, the May inflation rate was reported at 0.8 percent which is expected to rise further as implication of Fiji dollar devaluation is realized.

### 3.1.6 Investment

Capital accumulation through the investment process is a vital ingredient for economic growth. In the period 2001 to 2005 total investment averaged over 18 percent of GDP (see Figure 3.7). This increasing trend is likely to continue with recent increases in investments by Government and public enterprises such as the Fiji Electricity Authority and the Housing Authority. Public sector investments of this nature are crucial for the proper functioning of the market system to supply social and economic infrastructure to facilitate and implement private investment plans.

The Government’s capital expenditure is expected to be in excess of $300m from 2009 onwards which will provide further impetus for growth and development. Private sector investment, which has greater impacts on job creation and growth than public sector investment increased steadily from 2001 to 2005. Greater infrastructural support from Government and restructuring of the public sector, which essentially transfers assets and business opportunities to private sector, will also induce higher levels of private investment.

Private investment levels are functions of savings and in recent years real interest rates on savings have been negative. Savings levels are expected to increase with recent monetary policy requirement that interest rate spreads be reduced to 4%. Should inflation remain low positive real interest rates would encourage greater savings behavior.

### 3.1.7 Interest Rates

Interest rate spreads have historically been more than four percent in our domestic market while trends from trading partner economies indicate that banks generally have spreads of 2 percent or even less. In only 2006 did interest rate spreads reduce significantly but increased again thereafter. Following the currency devaluation, the RBF took measures to control the lending rates of banks and other financial institutions to
assist the business sector have a more conducive interest rate environment. Liquidity in the financial system reached critical levels in late March 2009; however, measures taken thereafter led to improvements to sustainable levels.

Although interest rate spreads have been regulated to be no more than four percent before the end of 2009, the regulated spread is still much higher than international trends. Given the fallout in the global financial market it has become apparent that earlier citations by commercial banks that Fiji represented a risky financial market are not relevant. All bank lending are backed up with sufficient collateral and the riskiness depends on the banks own lending procedures.

3.1.8 Government Revenue and Expenditure

Government revenue has been steadily increasing since 2001, in line with economic activity and revenue policies. However, significant revenue losses were incurred as a result of concessions granted by government, generally to large businesses. Concessions and corporate taxes are being reviewed to ensure equity among all enterprises operating in Fiji. This will improve compliance and reduce procedures and costs associated with the establishment, application and assessment of concessions. Figure 3.9, shows the increases in government revenue against actual and budget expenditure mix. There is however, a slowdown noted since 2007 as a result of reduced economic activity.

There has been a significant change to government expenditure composition in the last few years. There is marked slowdown in operating expenditure over the 2007-2009 period with further reductions anticipated in future. This is offset by a greater emphasis on capital construction, particularly infrastructural development. Although 2010-2011 capital budgets are yet to be finalized, it is expected to be similar, if not more, in value to the 2009 capital budget as the importance to increase the capital base for sustainable economic growth is now being realized. The aging infrastructure has strong cost implications on the forecast budget surpluses of 2010 and 2011.
3.1.9 Debt Position

Between 2001 and 2006 government debt as a percent of GDP rose by 4.6 percentage points with nominal value increase of $1.21 billion. This represents an annual increase in debt stock by $200 million. Debt as a percentage of GDP declined over 2007-2008. Further borrowings are intended in 2009 and beyond to complete the governments intended infrastructure development program. Government borrowings will only be targeted at investment projects so that developments are able to contribute to sustained economic growth upon completion. The international borrowing commitments are expected to increase as a result of our devalued currency but the increases will be sustained through effective financial management.

3.1.10 Trade

Domestic Exports have been declining for most years since 2001. Further decline is expected in 2009 with some recovery in the following years as a result of Fiji dollar devaluation. The decline in exports is largely underpinned by reduced sugar and garment production. Sugar production is affected by inherent industry problems compounded with declining preferential prices from the EU. Garment production, on the other hand, has contracted as a result of declining preferences under SPARTECA-TCF arrangements and the inability of our domestic producers to compete with Asian exporters, such as China.

The depressed global conditions have translated into reduced demand for our ground water, fish and mahogany. Significant efforts would be required in the implementation of the National Export Strategy to induce growth in domestic exports.

Imports have been rising continuously except in 2007, which coincided with significant economic decline. The increased importation has been attributed to growing demand from the tourism industry as well as rising food and fuel prices.

Our exports have been less than $1 billion; however, imports in recent years have exceeded $3 billion implying trade deficits in excess of $2 billion (see Figure 3.11). It is
envisaged that the devaluation of Fiji dollar will result in a shift of demand from imports to local produce and manufactured goods.

### 3.1.11 Foreign Reserves and the Exchange Rate

Foreign reserves are necessary for Fiji’s transactions with the rest of the world. The value of foreign reserves is a net result of foreign demand for our products and domestic demand for imported products. Exchange rates are established accordingly taking into account our ability to accept all offers of our currency at the set rate. Except for 2003-2004 and 2007, reserve levels have been declining on an annual basis since 2001, an indication of an overvalued currency. This condition favored imports and hence causing depletion in our reserve levels. Devaluation of 20 percent, undertaken in April 2009, resulted in improvements in reserve levels. Foreign reserves prior to devaluation were sufficient to cover only 1.3 months of imports. As a result of adjustments in the value of our currency, import levels in the following months declined as higher prices translated into the domestic market and export levels will improve as a result of improved competitiveness of our domestic exports.

The foreign reserves were at $660 million at the end of May 2009, with a steady rising trend after the mid April devaluation.

The Nominal Effective Exchange Rate (NEER) index remained fairly stable since 2001 but indicating relative appreciation in value of currency until 2007. The April 2009 index indicates a post devaluation adjustment to the 2008 indices. The decline in indices is not as substantial as the percentage devaluation as a result of currency appreciation in the early months of the year.
3.2 Sectoral Developments

3.2.1 Macroeconomic Management

Macroeconomic management in the short term is focused on achieving financial stability and securing government finances. Key macroeconomic indicators are discussed in Section 3.1.

The major challenges for the medium term are to maintain prudent monetary and fiscal management in order to protect exchange reserves, continue with low inflation, and ensure sustainable fiscal deficit and debt levels. The medium-term approach by Government recognizes the importance of consolidating fiscal policy, increasing export earnings and minimizing imports to reduce the widening trade deficit.

3.2.2 Tourism

Tourism is an important foreign exchange earner for Fiji. The sector has grown steadily over the past few years, since a significant decline following the 2000 coup, with growth in visitor numbers and strong investment in infrastructure. The industry is a myriad of partnerships between a diverse range of private sector businesses, the communities and Government.

There are more than 21,000 individuals, that is, 3 percent of Fiji’s population, working in the tourism industry. The industry contributes to more than 18 percent of GDP, with $741.7 million total earnings in 2006. Of this the estimated tax revenue to Government is around $140 million.

The highest number of visitor arrivals, 582,602 visitors, was recorded in 2008. This is an increase of 6.9 percent compared to 2006 visitor arrivals. The increased numbers were primarily driven by lucrative packages offered by the industry with prices reduced to as much as 40 percent.

Despite the healthy performance, the tourism industry has had to face a number of challenges since 2006 to remain globally competitive. These include the loss of price competitiveness and adverse publicity in the major source markets. The effects of the global financial crisis require strong marketing and re-alignment of the Fiji brand to induce greater visitor arrivals.

The recent devaluation of the Fiji dollar is anticipated to benefit the tourism industry by offering relatively cheaper holidays and giving Fiji a competitive edge compared to similar tourist destinations. At the same time, currency devaluation may have an adverse impact on costs of food and beverages required by the hospitality industry. A high level
of food items are imported for the hospitality industry, which may face price escalation after currency devaluation. This presents an opportunity for the local agriculture sector to furnish the requirements of the tourism industry. However, issues of inconsistent supply and product quality and standard need to be overcome. The Ministry of Agriculture will continue to strengthen this linkage between the tourism industry and the agriculture sector.

**Development Constraints and Challenges**

The development constraints and challenges include:

- Major and on-going Brand Fiji marketing campaign;
- Global Financial Crises;
- Possibility of the H1N1 turning into a pandemic;
- Major growth in key source markets and at least two new source markets;
- Attractive investment incentives and proactive approval process;
- Supporting infrastructure and domestic (air, land and sea) transport linkages;
- Consistent supply of trained staff;
- Additional capacity on existing airline routes and new routes established; and
- Negative travel advisories from key source markets such as Australia and New Zealand.

**3.2.3 Manufacturing and Commerce**

Manufacturing is a major sector, contributing 13 percent to GDP in 2008. The sector includes manufacture of textiles, garments, footwear, sugar, beverages and tobacco, food items, wood and metal-based products. A decline in the manufacturing industry is expected due to the global financial crisis and subdued domestic demand and in the export markets.

The devastation caused by the flash floods in January 2009 has exacerbated the projected slowdown in the industry creating pessimism in the outlook for trade. However, the dollar devaluation presents opportunities for our export sector as the exports will be competitive and cheaper in the global marketplace. This will depend on the developments in the global market and the competitiveness of Fiji’s products.

The limited investment and technological innovation has constrained the labour absorption capacity of the manufacturing sector. This lack of capacity has increased poverty and unemployment, especially in urban areas. Two persistent factors, the transition away from high-cost industries that are heavily dependent on imports and the impact of globalization on
domestic industries that is unable to compete with imported substitutes, have contributed to the limited growth of domestic production and employment.

The effective implementation of the National Export Strategy using the opportunities available from currency devaluation will assist in export growth. Incentives are available to domestic producers in manufacturing and agriculture to exploit opportunities provided by the numerous bilateral and multilateral trade concessions.

**Development Constraints and Challenges**

The manufacturing sector has a lot of growth potential. However, these are constrained by the following:

- Delayed reforms of the sugar industry;
- the inability to find a resolute way forward for the mahogany industry;
- the continuous shrinking of markets for Fiji’s textile, clothing and footwear industry;
- the weak linkages existing between the natural resource sectors and the manufacturing sector;
- time taken to register business is very long due to outdated regulations and legislation; and
- lack of market support for agro-based products.

**3.2.4 Information and Telecommunications**

*Information*

Of crucial importance to Government is maximum public awareness of Government’s plans, programmes and policies. This awareness is deemed vital as it contributes to an informed and cohesive populace and ultimately impacts positively on social and economic development of the country. To this effect, the media plays a vital role such that it is able to contribute to economic development and national unity through its influence. It is in recognition of this fact, that the media is being co-opted as a development partner.

*Telecommunications*

The greater use of Information and Communications Technology (ICT) is essential for social and economic development in Fiji. The contribution of the communication sector to GDP was 3.4 percent in 2008, an improvement from the 0.2 percent decline noted in 2007. The growth of the sector is expected to remain around 3.5 percent in 2010. The developments in communications sector is characterised by the increased usage of cellular phones. This is has been facilitated by the commencement of operations by Digicel (Fiji) Ltd and INKK Mobile (Fiji) Ltd.

Access to traditional ICTs such as radio and television is high. Over 90% of households are estimated to have a radio and over half the population has access to television.
Internet use is increasing and people are also becoming more exposed to ICTs through their mobile phones and use of text messages. Electronic transactions in Fiji have also become widespread, spearheaded by the banks.

ICTs have the potential not only to create new jobs through call centres and other related activities, but also to empower rural dwellers with information and provide low-cost tele-services. The adoption of ICT is also the key to improving productivity, especially in the public sector. Government intends to deliver as many online services as possible and make greater use of ICT in order to improve internal processes.

The current initiative of Government to develop the ICT sector further and the institution of the e-Commerce Bill will ensure that the interests of suppliers and buyers engaged in transactions over the internet are adequately protected. E-community learning centres are being established in rural areas to enable communities to access information, public services, and business products and services on the internet.

Recently, an agreement has been reached between Amalgamated Telecom Holdings (ATH) and Government for new competitors in the telecommunications sector. As a result, VoiceNetIP (Fiji) Limited has been given the VOIP license with the intention to bring maximum benefits and savings to businesses and individuals.

The IT Advisory Council (ITAC), set up in 2001 includes representatives of key Government ministries, the academic community and the private sector. The ITAC has drafted an ICT Policy with the vision “to harness Fiji’s ideal geographic location, competent workforce and world-class information technology infrastructure to promote Fiji’s international competitiveness and create a dynamic, vibrant and well-connected e-society”.

Development Constraints and Challenges

Information
- Strengthening long-term partnership with the media industry
- Improving the quality of reporting
- Adherence to media ethics and professional standards
- Expanded coverage of government activities through the mainstream media

Telecommunications
- High cost of telecommunications and associated activities
- Monopolistic framework for telecommunications
- Lack of awareness about the benefits of ICT

3.2.5 Micro, Small and Medium Enterprises
The development of Micro, Small and Medium Enterprises (MSMEs) is crucial national development especially in improving the quality of life of the people endowed with low capital. Substantial untapped opportunities remain for sector to expand and grow,
particularly in rural areas where natural resources remain under-utilized. The Government has identified MSMEs as a priority area for making development more balanced and broad based. Through the Small and Micro Enterprise Act of 2002, the National Center for Small and Medium Enterprise Development (NCSMED) is the primary vehicle through which Government policies and strategies for MSME are implemented. Among other responsibilities, NCSMED is tasked to provide training in entrepreneurship and management, business advisory services, support the private sector in developing MSMEs, provide loans and grants to MSMEs, and develop new business opportunities through pilot projects.

The Microfinance Unit of NCSMED has formed partnerships with various financial institutions for the delivery of microfinance services. This includes 3 microfinance institutions and 6 microfinance service providers and together they cover 13 major areas in Fiji, in which 382 communities/settlements have access to the service. At the end of August 2008, the microfinance program had more than 24,500 savings clients with savings totalling $1.1million.

The Business Incubation Centres (BICs) provide office space for small businesses, support services such as training, business counselling, networking and specialist advice. BICs have been set up in Ra and Suva.

The challenge for the MSME sector is to create a facilitative environment where educated young people, as a first option, choose to operate a micro enterprise and engage in self-employment than relying on formal sector employment. This requires greater institutional support and access to financial services.

**Development Constraints and Challenges**

The development of MSMEs is constrained by the following:
- Under developed financial sector to offer the range of services suitable for MSMEs;
- Lack of sufficient support services such as business mentoring;
- Poor financial management skills of MSME operators;
- Lack of knowledge about the existence of MSME service providers; and
- Weak statistics on the MSME sector.

**3.2.6 International Relations and External Trade**

Fiji’s relationships with the international community has been challenging given our relative smallness and isolation from major economies. The relationships have been further constrained as a result of the recent political developments, particularly with neighbouring nations like Australia, New Zealand and Samoa and traditional development partners like the United States of America (USA), the United Kingdom (UK) and the European Union (EU).
Strategic engagement with the international communities and traditional development partners under the principles of internationalism and sovereign dignity remains critical. A new legal order exists with a clear framework for change and achieving parliamentary democracy by September 2014 has been presented. It presents a clear foreign policy framework focused on enhancing global integration and international relations with the objective of regaining Fiji’s rightful place in the regional and international family of nations.

The immediate challenge is to regain lost credibility and focus on restoring its traditional relationships by advocating Fiji’s interests in regional and international institutions such as Pacific Islands Forum (PIF) States, the Commonwealth, Africa Caribbean Pacific (ACP), the EU, and the United Nations (UN).

Global economic conditions and the erosion of the preferences and other constraints for trade and market access restrictions due to non-tariff barriers applied by many countries have been key challenges in the areas of trade and investments. Adverse advisories and travel bans on those assisting with rebuilding Fiji have also had very negative implications. Trade agreements will be treated with caution to consider first the increasing costs of participation that at times supersedes the potential benefits. The costs of participation are a result of multiple rules, obligations, technical standards and requirements for market entry. Despite these trade will be facilitated through quarantine protocols, customs, ports and immigration will be strengthened.

Understanding of our development and trade partners are sought and government will continue to focus on restoring relationships with the global family through participation in the international fora, respecting the provisions of international treaties and fostering mutually beneficial bilateral and multilateral trade and diplomatic relationships.

There is need for Fiji to strengthen Aid for Trade relationships and secure development assistance through the bilateral and multilateral arrangements. Fiji’s foreign missions and trade offices will need to play more proactive roles in securing trade development assistance and at the same time tapping into supply of labour from Fiji for work overseas.

**Development Constraints and Challenges**

- Inadequate border control
- Global economic conditions
- Lack of experienced personnel on trade negotiations
- Slowness in adapting to changes in trading environment
- Constrained relationships with trading and development partners
3.2.7 Employment and the Labour Market

Around 120,000 people, one third of the labour force, are estimated to be in paid or formal sector employment. With increased investments and future growth in the ICT and audio visual industries, employment is expected to increase in the medium term. Government still remains the largest employer with some 25,000 employees, accounting for a large proportion of total paid employment. There are signs of skill shortages in both the public and private sectors. However, unemployment in urban areas was estimated at 13.8% in 2007 within an overall national rate of 11.9% (ILO6 Definition7), according to the 2007 Census of Population and Housing.

The challenge is to ensure that economic growth is sufficient to absorb the estimated 16,000 people that enter the labour force each year. With current equilibrium of relatively low economic growth, the formal sector is unable to create sufficient jobs. Many are left to make their own opportunities in the rural economy and in micro, small and medium enterprises. Government’s Integrated Human Resource Development Programme for Employment Promotion (IHRDPEP) and the National Centre for Small and Micro-Enterprise Development (NCSMED) are spearheading efforts to support employment creation in both the informal and formal sectors.

The implementation of 55 years retirement age in the public service also has employment implications as the retirees need to be replaced by new graduates to ensure consistent public service delivery. Government is also facilitating faster approval of work permits in sectors facing skill shortages. The closing date of civil service vacancies is reduced from 21 days to 14 days to allow faster processing of employment opportunities within the public sector. Employment placement centres, where job seekers have access to information on available positions and to job-interview training, are to be incorporated into the National Youth Option Centres. Government’s Internet-based placement service, CareerNET and the expansion of the Computerised Human Resources Information System (CHRIS) will also assist in job creation. The development of a comprehensive accreditation system of qualifications by the Training and Productivity Authority of Fiji (TPAF) will facilitate improvements in the labour market.

The Government is working on a performance and productivity based wage-setting framework. The process will induce higher real incomes and economic growth as productivity improvement necessitates investment in modern machinery and improved work methods.

The Labour Market Reform brought about by the Employment Relations Promulgations of 2007 will restore confidence, stability and growth in the labour market and contribute to creation of a business environment conducive to private sector investment. This will induce greater employment opportunities. The employment reforms promote the role of

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6 ILO Definition – Includes those that are seeking employment and those that are available but not seeking employment; ICLS Definition – includes only those that are actively looking for employment
7 International Classification of Labour Force Statistics (ICLS) definition based urban unemployment rate = 10.5 percent and overall rate = 8.6 percent
women in development and employment of school leavers. Additionally, the reforms will help improve maternal health of working mothers, reduce child mortality through enhanced maternity protection and promotes education of children through its child protection policy. The establishment of the Employment Relations Bureau as a “one stop shop” employment agency will provide quality employment services for the unemployed and school leavers, both locally and in overseas markets.

Development Constraints and Challenges

- Successful implementation of performance based pay system
- Training and retention of individuals in areas of skills shortage.

3.2.8 Land Resources Development and Management

As a basic factor input, access to land is a major prerequisite for any development. The current system of land tenure in Fiji has been seen to be very rigid. The Agricultural Landlord and Tenant Act 1966 (ALTA) governs the negotiation and grant of agricultural leases on native land. About 50 percent of all leases are ALTA leases. Since leases began expiring in 1997, it has been increasingly difficult to renew leases under the ALTA framework. Neither the landlords nor the tenants are happy with the terms and conditions imposed under ALTA. The landlords are unhappy about the low rental levels, which do not appear to reflect the value of the land, and the tenants want stronger provisions providing compensation for improvements in the event that the lease is not renewed. Unfortunately, the issue is now heavily politicized and a sensible and pragmatic solution cannot be guaranteed. The ALTA legislation is constitutionally ‘entrenched’ (originally to safeguard the interests of indigenous Fijians) and can only be amended if a two-thirds majority concurs.

The Native Land Trust Board (NLTB) administers the leasing arrangements of all native land in Fiji, for the benefit of the Fijian landowners. Native land covers approximately 90 percent of total land area in Fiji. The NLTB currently administers over 31,000 leases, which cover approximately 24 percent of total native land. Of the total number of leases, 46 percent are agricultural, 42.7 percent residential, 4.8 percent commercial, 1.3 percent industrial and 5.2 percent are for other purposes such as educational, public utilities, recreational and religious use.

With competing demands for limited land resources for housing, industrial and commercial developments, Government adopted a National Rural Land Use Policy in 2005 with the belief that any development must be approached holistically taking into account not only social and economic factors, but environmental also. Education and increased awareness are recognized as the main engines to drive this initiative.

These rigidities in the market for leases have resulted in the development of an illegal “black market” in which landlords and tenants reach agreements outside the law. This “black market” is evident in the growing incidence of vakavanua arrangements. These are informal agreements – with nothing in writing - between mataqali and families or
individuals who wish to occupy and use some land. They can run for many years – sometimes decades. The main problem with vakavanua arrangements is that they leave the tenants outside the formal property rights system and thus unable to take advantage of the benefits a legal leasehold title would give them.

The proposed NLTA leases give much greater flexibility in lease conditions which would allow landlords and tenants to reach agreement within the legal framework. Considerably long security of land use is available and potentially higher rentals must be seen in the context of the illegal up-front payments for “goodwill” which must now be paid for the lower rental levels prescribed under ALTA. Government wishes to resolve the land lease issue by establishing a legal framework which allows landlords and tenants to agree on a sound, secure legal basis rather than through and ALTA-based “black market”.

Development Constraints and Challenges

- Inappropriate land use has resulted in land degradation associated with agricultural intensification, inappropriate farming practices, deforestation and other land uses contributing to environmental problems such as the loss of soil biodiversity
- Restrictions of Agricultural Landlords and Tenant Act (ALTA) limit a lease to a maximum of 30 years and maximum lease payments equivalent to a return of 6% per year of the unimproved capital value
- Lack of incentive for landowners to renew leases for productive use
- High incidence of vakavanua arrangements
- Inability of indigenous landowners to use their own land as collateral for raising finance

3.2.9 Sugar

Sugar sector’s contribution to GDP has reduced from 11.3 percent in 1995 to 6 percent in 2005 as a result of 30 percent fall in production since 1995. Cane production has fallen in the same period from around 4.5 million to 3.0 million tons in 2005. Land tenure insecurity, production and milling inefficiency and political interference have all contributed to the deteriorating performance of the industry. This has been exacerbated by global developments, primarily the WTO driven trade reforms, ending quotas and preferential pricing, and the consequential EU reforms.

Up to 60 percent of sugar produced has been for the preferential EU market with a quota of 173,000 tons. The EU has announced progressive cuts in preferential prices. There was a 5 percent in 2006/2007 and a further 39 percent reduction anticipated from later in 2009. The local sugar industry therefore needs to quickly adapt as it is slowly exposed to the world market. The EU has indicated its support in this transition phase, in the form of a grant funded National Adaptation Strategy, and also through other trade arrangements such as the Economic Partnership Agreements, which are being negotiated. With Government support, the FSC has secured an $86m loan from the EXIM Bank of India to upgrade the machinery and equipment in its mills. The recapitalisation programme should
improve the milling efficiency of FSC, reducing breakdowns, and improving sucrose extraction rates.

The EU, through its share in the cost of the National Adaptation Strategy (NAS), will play a pivotal role particularly in addressing the production side of the industry. The NAS identifies measures totaling $755 million over an 8 year period and proposes the use of EU donor funds to finance $350 million. As grants, these funds cannot be used for commercial activities except when there is a particular social need, as in micro-finance, or when confined to technical assistance for feasibility studies, as with co-generation and studies of commercial agriculture. Additional funds could be available from the European Investment Bank for such activities.

The EU grants will focus on those parts of the NAS which support cane farming rather than commercial milling operations. They will particularly support cane replanting and research and extension for cane farming systems. Rural infrastructure will be strengthened through community development to sustain drainage systems and development of farm access roads as well as “emergency repairs” to the bridges and classified roads which serve the cane access roads. Grants will also be used to address the social impacts of restructuring on the poor through housing construction programmes and micro-finance.

The NAS recognizes the importance of security of land tenure in farming, particularly in such multi-year activities as drainage maintenance and cane planting. The Government continues to work with the NLTB and other stakeholders on a land tenure system acceptable to all parties.

Programmes complementing the institutional reforms of the industry within the framework of the NAS, such as the ALP, will support economic diversification of rural areas through development of commercial agriculture and enterprises which, because of their commercial nature, cannot be funded under the grant-based EU funded programmes of the NAS.

**Development Constraints and Challenges**

- The need to inculcate commercial values in all aspects of operation, from farming and harvesting, to transportation and milling to be globally competitive.
- The need to improve farm level productivity to reduce costs from US14 cents to US4 cents per pound while increasing farm yield from 42 tons to 80 tons per hectare.
- Improving effectiveness of the research and extension services of FSC and support from SCGC.
- Targeting training and extension services for new and inexperienced farmers as a result of loss of experienced farmers due to expiry of agricultural leases
3.2.10 Non-Sugar Agriculture and Livestock

The agriculture sector, during the last decade grew at an average rate of 0.13% and the average growth attained is a direct result of low investment in the sector. Projections for 2009-2011 indicate a period of slow growth in the sector. The non-sugar agriculture sector is still predominantly subsistence and on average contributes 7.8 percent to GDP, accounting for around 3.8 percent of domestic exports. Food imports in 2008 constituted 14.4% of our total imports, which is of particular concern.

The non-sugar crops constitutes traditional food crops (dalo, cassava, yams, kumala, and yaqona), tropical fruits (pineapple, pawpaw and mango), vegetables, pulses, ginger, tobacco, rice, spices, cocoa, and coconut products. The livestock constitutes of beef, dairy, pork, poultry meat, eggs, sheep, goat and bee products. Major contributors to exports are fruits (pawpaw) and vegetables, including dalo. A small but growing volume of certified organic products, including coconut and fruit products and nutriceuticals are exported. However, growth in the sector has been volatile.

Food security is a priority given Fiji’s vulnerability to natural disasters and its susceptibility to the global food crisis. The UN Food and Agriculture Organization’s Food Import Capability Index (FICI) provides an indicator of a country’s level of food security vulnerability. An FICI ratio of above 0.5 is considered vulnerable with Fiji having a decade average of 0.17. This is subject to change given the impact of currency devaluation and the erosion of trade preferences with the European Union.

Growth in the importation of agricultural produce (live animal, animal products and crops) by hotels and resorts due to the inability of domestic farmers to provide consistent supply of quality agricultural products is contributing to the rising import bill. There is greater emphasis on increasing the production capacity of local farmers and improving the quality and standards of agricultural produce utilised by the hospitality industry. The implementation of the National Export Strategy (NES) provides the platform for supporting local industry organization on infrastructure development, enhancing market access opportunities for exports and the penetration of emerging export markets. Synergies will be considered between NES and other rural development oriented programmes such as Export Promotion Programme (EPP), Import Substitution Programme (ISP), Sigatoka Valley Development Programme, Rural and Outer Island Development Programme (ROI) and the Northern Development Programme (NDP) to ensure greater cohesion and effective implementation of the Demand Driven Approach (DDA). The Demand Driven Approach both for export and import substitution commodities involves commercialization and strengthening industry organizations and agri-business networks, promotion of young farmer training, recognition of industry priorities by Government and the provision of support to medium sized entrepreneurs and exporters with existing market protocols.

The Import Substitution and the Export Promotion Programme is focused on improving the quantity and quality of commodities both for domestic consumption and exports. An integral part is focused on reviving both the crops and livestock component of the agriculture sector with special focus on import substitution commodities. The reviving of
the livestock industry is targeted at the breeding of genetically superior livestock, provision of training on pasture feed management, good animal health practices and improve farm management techniques. Investment in the industry is targeted at the dairy and beef segments of the industry. The introduction of subsidies for the farm gate price for milk is to boost local supply of milk and also to encourage farmers to supply milk to Rewa Dairy Cooperative Limited (RDCL).

Bilateral Quarantine Agreements (BQAs) continue to boost exports significantly. Export market access for agricultural products cannot be obtained without a BQA. BQA for other potential export commodities are being pursued, however investment in research and equipment needs to be prioritised. Market access already secured under BQAs are for pawpaw, eggplant, chilli, herbs, pineapple, breadfruit, and mango to New Zealand; kava to Vanuatu; watermelon, yams, and vanilla to Tonga; coffee and copra to Papua New Guinea; and pawpaw to Australia. Farming technique and post harvest handling still needs to be improved to address the need for quantity, quality and consistency of supply.

Rural and outer island still remain untapped albeit the abundance of resources and development opportunities available therein. Production in the these areas remains largely subsistence due to lack of infrastructure, adequate transport services, proximity to markets and the non-availability of incentives in the agriculture sector to induce greater agricultural production. The Agricultural Marketing Authority provides some form of market access but its coverage is limited and its ability to absorb supply from local farmers is a deterrent.

Fiji’s agricultural sector has enormous development potential given the availability of productive land and natural resources. The way forward for the sector is dependent on harmonizing all rural development initiatives to ensure equitable distribution of resources to less developed areas, opening up the possibilities of commercial agriculture in remote areas.

*Development Constraint and Challenges*

- Lack of investment in agricultural research especially product development
- Development of market access, BQAs and commodity protocols
- Agricultural infrastructure and equipment are inadequate to deal with demand
- Reinvestment needed from producers
- improving extension services
- capacity building for farmers
- awareness on proper farming techniques, soil suitability and conservation, post harvest handling, market access and financing

3.2.11 Forestry

Fiji’s land area is approximately 1,827,000ha of which it is estimated that forests covered 52 percent or 956,860 hectares. This comprised indigenous forests (857,530 hectares),
hardwood plantations (52,950 hectares) and softwood plantations (46,380 hectares). The Forestry sector on average contributes 1.3 percent to GDP and 3.4 percent to export earnings. Significant growth of 15 percent was experienced in 2003 due to commercial harvesting of mahogany. This sector has good potential for growth with sustainable mahogany harvesting. However, the sector has performed below capacity since 2000, largely due to fluctuations in the harvesting of indigenous logs, bad weather conditions affecting logging operations and the closure of several Vanua Levu mills. The sector is anticipated to perform strongly in the medium term through increased mahogany and pine harvesting once the Bua Port is completed.

Logs are predominantly processed into sawn timber, veneer or plywood. Wood chips however, with the total export volumes averaging 266,000m³ each year, account on average for 55 percent to total forest product exports. Most wood products are exported to Australia and New Zealand, while wood chips are sold exclusively to the Japanese market. The American market consumes approximately 40 percent of all veneer products. Other exported products, such as mouldings and other finished components, account for at least 6 percent of annual export earnings.

Vanua Levu pine production has the potential to earn $20-$25 million in export earnings. The new integrated port in Wairiki, Bua, completed at the end of 2006 provides the necessary facilities for wood chip exports from Vanua Levu.

The Fiji Hardwood Corporation Limited (FHCL) has purchased the Waivunu sawmill in Galoa, Serua and remanufacturing assets in Navutu, Lautoka. The company is moving into log processing as it has met difficulties finding and establishing links with reliable log customers to meet the growing demand for mahogany sawn timbers overseas. Currently, FHCL is mainly a mahogany log supplier whilst attempting to process 55 percent of its wood supply.

The extent of deforestation (forest and vegetation clearing) and its impact on the surrounding environment remains a serious concern. Pressures towards further deforestation include population growth and the demand for new settlement areas, and greater agricultural production for food security. The impacts have become more pronounced, with a high incidence of soil erosion, siltation and subsequent flooding of low-lying areas. To curb this situation, sustainable forest management practices are being promoted. Improving resource utilization through enforcement guidelines under the Code of Logging Practices and the Environment Management Act are being pursued. The completion of the National Forest Inventory in 2007 provides a sound basis for making informed decisions on the status of the forest resource in Fiji.

Active landowner participation is necessary for the forestry sector to become a significant player in the economic development of the country. Efforts are now under way to improve landowner participation through the establishment of the Fiji Pine and Mahogany Trust, the payment of stumpage fees and land rentals, training of resource-owners, as well as the establishment of community-based forestry projects with resource-
owners. In addition, the Fiji Development Bank has established a loan facility, which assists indigenous Fijians and Rotumans to pursue business ventures within the sector.

**Development Constraints and Challenges**

- The need for proper infrastructure to facilitate the development of any industry in the form of access roads and port facilities for export.
- The need to pursue technological development and adaptation and human resource development
- Increased participation of resource owners in the industry with necessary training and capacity building provided to them.
- Market access is critical and given global environmental concerns, recognized certifications are necessary.
- The adaptation of sustainable forest management practices is necessary.

### 3.2.12 Marine Resources

After agriculture, the fisheries sector is the largest natural resource sector with about 3 percent contribution to GDP. Over the past decade, performance of the sector has been erratic. However, since 2004, the performance has improved as a result of increased catch of tuna for the Japanese *sashimi* market. The tuna industry dominates the sector in terms of output and export. The performance in the sector is therefore closely linked to the progress in offshore fisheries. The management of the offshore fisheries has been an area of concern, not only nationally, but regionally and globally in the wake of an invasion of state subsidised Asian fleets. Resource management is of utmost urgency and mechanisms such as the Tuna Management and Development Plan need to be followed and enforced at the national level. Positive steps have been taken with the reduction in annual offshore licences.

The legislations governing the sector also need reviewing in light of new developments. The present Fisheries Act dates back from 1942, and despite amendments and additional regulations, is outdated. Similarly, the Marine Spaces Act is over 25 years old. Since their introduction, the Law of the Sea has advanced in a number of ways, including the UN Fish Stocks Agreement, and as of June 2004, the Convention on the Conservation and Management of Highly Migratory Fish Stocks in the Western and Central Pacific Fisheries, to which Fiji is signatory. The Social Justice Act (SJA) 2001 and the Environmental Management Act (EMA) 2005 also have major implications on the management and development of the fisheries sector. There is also a need to include provisions for other areas such as aquaculture, management of artisanal fisheries, and post harvest handling.

The aquaculture sub-sector has not progressed as rapidly as might have been expected despite the large amount of resources that have been invested in research, subsidizing ponds and other infrastructure, establishing hatcheries and pilot farms. The poor performance has been attributed to declining prices, disease, problems in producing post larvae, and difficulties in maintaining yields due to high cost of feed.
Development constraints and challenges

• A multi-pronged approach to fisheries management should be adopted that takes account of economic, environmental, and social performance. This model is also based on the need to move away from production orientation towards a resource management, conservation and service orientation.

• Because of the heavy dominance of the tuna industry, sector growth will largely be dictated by tuna prices in the US and Japan, however, there is a need to promote growth through introducing management plans that support a healthy fish stock, thus sustaining catch rates.

• In addition to supporting fish stock, the level of effort by the industry is being constrained by increases in the cost of doing business, primarily costs of fuel and supplies with a further burden added through the short (annual) licence renewals that create investment uncertainty.

• In supporting the offshore industry, improvements to infrastructure to alleviate current overcrowding of vessels in the ports, would generate economic activity. There is potential in attracting regional traffic to Fiji for servicing and re-supplying provided suitable port facilities are available.

3.2.13 Mineral and Groundwater

Fiji has a good prospects with regard to epithermal gold (associated with volcanic centres), porphyry copper-gold (Namosi), and smaller base-metal deposits (Udu, Wainivesi). From the 2 years of uncertainty surrounding the operation of the Vatukoula gold mine after its closure in 2006, the prospects for the industry is looking positive with new operator Vatukoula Gold Mines Limited (VGML) gradually pushing the mine into full production. Other sources of revenue for the sector are industrial minerals such as sand and gravel, quarried stone and coral sand. The groundwater sector consists of development of water supplies for urban and rural areas as well as the production of ‘mineral’ or bottled water.

The Tuvatu Gold prospect is being re-looked at with renewed interest and Government is hopeful that within the next five years a mining lease could be issued over the area. A new mining lease is being processed for Asia Pacific Resources Limited for the Wainivesi (Tailevu) tenement. The rising price of gold on the world market also augers well for the industry in the medium term. The new Mineral (Exploration and Exploitation) Bill puts in place new standards in the industry operations for both mining and exploration and updates measures on health and safety, resource management and sustainable development.

There are currently four mineral water bottling companies operating. Natural Waters of Viti (Fiji brand bottled in Yaqara) pioneered the product in 1997 and has since successfully penetrated the US market. Recent additions to the industry include Dayals (Island Chill brand bottled at Vuqele, Vatukoula), Diamond Aqua (Diamond Aqua brand bottled at Nadi) and Aqua Pacific (Aqua Pacific brand bottled at Nadi). The commercial bottling water industry continues to grow stronger and globally competitive, in the case of Natural Waters of Fiji.
With additional bottled-water operations opening, it is necessary for product quality standards to be set in order to uphold the integrity of Fiji’s bottled water exports. A strict standard regime for mineral water was imposed in 2005. With no current legislation governing water resources, the new Mining legislation will set the framework for use and management of groundwater resources.

**Development Constraints and Challenges**

- The need for a conducive fiscal regime to realize the economic potential of explorations
- Consideration should be given to the high capital (and debt) intensiveness of mining ventures, the cyclical nature of metal markets, and the long and costly period of pre-operational expenditures on exploration and feasibility studies when developing a mining specific taxation framework
- Security of land tenure is a critical issue for mineral sector investors. It must also be recognized that without special compensatory policies, landowner grievances can become a significant impediment to long-term mine operations. An important consideration is that most mines, prospects and quarries are in rural areas and on native land, so spread development to otherwise isolated, poorly developed areas.

### 3.2.14 Financial Services

Financial services are essential to creating an environment conducive to promote the growth of savings and channel these savings from those who save to those who take risk and invest in business activities which yield social and economic returns to the economy. Hence well managed financial services contribute to the Strategic Priorities of maintaining macroeconomic stability, restructuring to promote competition and efficiency, raising export earnings and raising investment levels for jobs and sustainable economic growth.

Resilient, well-regulated financial systems are essential for macroeconomic and financial stability in a world of increased capital flows. The implementation of the recommendations of the Commission of Inquiry into Financial Services (COIFS), Financial Sector Assessment Programme (2007 FSAP), Export Finance Facility (EFF), the superannuation sector study and the introduction of the Real Time Gross Settlement (RTGS) are key strategies to achieving a vibrant and efficient financial sector.

Development also requires the extension of formal retail banking services to rural and outer island areas so that their populations are better able to establish and expand businesses and meet social needs. This will build upon present development of micro finance - including savings and credit unions and the Micro Finance Unit - and increased access to rural commercial banks through the establishment of specialized micro-finance operation. In addition, the RBF will establish a specialized Micro-Finance research and development in the Central Bank to assist and strengthen micro-financing.
Moreover, such developments may bring out more success to the economic and social activities in the rural areas, if promotion of accessibility are continued along with transparency planning, co-ordination and consultation between Government agencies so that rural ‘unbanked’ areas to be also part of the new modern banking system that is available in the urban areas. To ensure that the financial system is adequately supervised, a financial services regulator will be identified. Review of the appropriate legislations including the RBF legislations and the Banking and Insurance legislation coupled with increased data coverage will reflect performance and standards of the financial sector. In addition, the Reserve Bank of Fiji will spear head all new rural banking initiatives that are in line with the Banking Act (1995) definition to increase the coverage of basic banking in rural as well as that considered ‘urban’, but which do not have access at present. For the development of the capital markets, appropriate incentives will be considered for companies to list on the stock exchange.

**Development Constraints and Challenges**

There has been significant improvement in the financial services sector, however, much is yet to be accomplished to address the constraints and challenges to make the sector efficient and manageable/transparent. Such measures include:

- improved efficiency in resource allocation and institutional arrangement for, and processes of financial intermediation;
- alignment of domestic prudential regulation to latest world best practice;
- enhanced stability and soundness of the financial system to include prudential supervision arrangements where less adequate in particular for deposit-taking institutions like credit unions;
- consistent use of relevant indicators, such as financial soundness Indicators, to assist in the assessment of strengths and vulnerabilities of financial systems and also serve as critical inputs for policy formulation.
- Ensure that developments in the financial markets support the ongoing developments of the real sector;
- Extending financial services to those living in rural areas and outer islands and the importance of this to poverty reduction; and
- Pursuing supervisory arrangements for capital markets.

### 3.2.15 Transport

Transport plays an critical role in our economy contributing to around 10.3% of GDP in the last three years. It also employs considerable amount of people in both formal and informal sectors with the latter most vibrant in the land transport industry. It also links various key social and economic sectors of the economy including resources based industries, education and health.

This sector contribution to GDP is expected to expand to 20% by 2014 should the economy is boosted by the support from EXIM Bank China and EXIM Bank Malaysia.
In the next five years, government will pursue vigorously its transport financing with the private sector especially in the area of land transport. In the next year or so, government will be engaging private sector into financing rehabilitation works for existing roads.

Asian Development Bank (ADB) is also assisting government in the establishment of the multi sector regulator to be adopted soon aimed to promote competition whilst minimize the externalities.

**Land Transport**
The Fiji Road Upgrading Project stage IV (FRUP IV) is expected to commence in 2010. The five identified roads for upgrading includes Nabouwalu Dreketi (59.6km), Buca Bay (30km), Sawani Serea (20km), Valley (14.7km) and Moto (4.7km) with total value estimated to be hovering over F$200million.

Government has also recognized the momentous task of maintaining existing sealed roads which currently standing at 1,617km. The 1997 Lee report recommended at least $50million to be available to maintain road annually based on 865km sealed roads at that time. To this end, government has promulgated the road user levy in January 2009 to at least collect $14million annually for this purpose alone. LTA has already put in-place two weighbridges to minimize effect of vehicle overloading. Road safety needs to be relooked again to better address its financing needs. Avoiding dreadful effects of pollution from vehicles also remains to be dealt with.

The FRUP III project is expected to be completed by early 2012 after the award of the remaining two contracts to Naim Cendera (Malaysia) and Fairdeal Earthmoving Limited both estimated value of $59.6million.

**Sea Transport**
The shipping freight rates and the domestic franchise scheme have been under review lately to look at how best to address the shipping services in both economical and uneconomical routes. Government is also constructing and maintains new and existing jetties to take heed of demands from local populace. In 2009, it will complete the construction of new jetty for Kadavu whilst the Rabi jetty will be completed in 2010. Expansion of international cargo shipping services is largely determined by the export-import market and the current trend will be economically viable once it is reversed.

**Air Transport**
Air Pacific is expected to fly to Hong Kong in December 2009 with the new air services agreement (ASA) signed with China in early 2009. Similar ASA has been signed with Continent Micronesia to service routes between Guam/Nadi/Honolulu soon. In mid-2009, AFL has started works on upgrading Rotuma airport to inhibit international standards estimated to cost $17million.

**Development Constraints and Challengers**
- Encouraging training for more engineers, transport economist, surveyors, etc.;
• Strengthening and establishment of relevant legislation to support regulatory roles in industries like roads, shipping, aviation, etc;
• Provision of more resources to address safety standards;
• Taking advantage of the free air space provisions under ICAO;
• Providing conducive environment to encourage private sector participation;
• Government commitment to ensure establishment of relevant institutional reforms; and
• Government holistic economic policy of co-existing activities integrated with transport development.

3.2.16 Energy

Around 60 percent of the country’s electricity requirements continue to be supplied by indigenous hydro and other renewable resources. This is provided largely through the FEA’s grid network on our two main islands and Ovalau, and to a lesser extent from solar home systems, micro hydro installations, and biomass. Imported petroleum for diesel back-up generators, meets the remaining balance of 40 percent. For the rural areas, the Department of Energy (DOE) has installed about 500 diesel based systems in rural communities around the country.

The amount of electricity generated and sold by the FEA reflects the level of economic activity in the country. Currently, the contribution of the electricity sector to GDP is 3.8 percent. This is projected to increase with greater access to electricity in rural areas under the Government’s Rural Electrification Programme.

Major changes have taken place within the FEA, following its restructuring to improve the efficiency and effectiveness of FEA’s operations. Government is reviewing the regulatory role of FEA with the intention of removing this role from FEA, which will enable the company to concentrate on its core business. FEA plans to invest $350m up to 2012 in parallel with some $150 million of private investment in IPP and PPP arrangements. FEA hopes that additional national investments, including private, in hydro, geothermal, wind, biomass and municipal waste will help it reach its highly-ambitious goal of 100% renewable energy by 2011.

Government’s strategy for averting high fuel and energy prices in the future is focused on facilitating exploration and production of alternative energy source, which are efficient and environmentally friendly. Since 2007 Government has been implementing its National Energy Policy (NEP) and strategic action plan that provides the framework for energy sector activities. The NEP provides a common framework for all (both public and private) associated with the energy sector to work towards for optimum utilization of energy resources for the overall growth and development of the economy over the next five years. There are four key strategic areas that the NEP focuses on: National Energy Planning, Energy Security, Power Sector and Renewable Energy. Government will further develop an Energy Legislation using the NEP as basis.
In 2009, Government is also putting particular emphasis on developing renewable energy sources and as such, continued support will be accorded to the following renewable energy programmes of the Department of Energy:

- Renewable Energy Development Programme;
- Biofuel Development; and
- Establishing public-private partnerships to develop other renewable energy sources, such as solar, wind and geothermal energy.

In addition to the above, Government continues to support FEA’s proposed new energy developments, such as the Nadarivatu Hydro project.

Availability, reliability and cost of appropriate forms of energy are necessary as a basis for viable production investments needed to attract private productive investments to create employment, alleviate poverty and increase exports. Energy directly supports growth of the economy and indirectly influences stability of the country as well. As a fundamental element to any commercial businesses operation energy directly contributes to the formation of capital investment that sustains economic growth.

**Development Constraints and Challenges**

- High price of oil that increases domestic costs and the fuel import bill;
- Regulatory arrangements in the electricity industry;
- Lack of a regular energy sector information database; and
- Weaknesses in the delivery mechanisms under the current Rural Electrification Policy.

### 3.2.17 Water and Sewerage

The consistent supply of clean, safe piped water and efficient sewerage services are crucial for both rural and urban sectors in inducing greater economic activity and commercial developments. Fiji has an abundance of water resources; however, there are persistent problems of supply of piped water. Approximately 75 percent of Fiji’s population has access to piped water in 2009 while the proportion of population having access to sewerage facilities is about 25 percent.

Government recognizes the importance of water and sewerage services in the socio-economic development of the country. As such, in the next five years, Government will ensure that inhabitants of some of Fiji’s most densely populated areas have access to regular and safe piped water and an environment friendly sewerage system.

The Suva/Nausori Regional Water Supply and Sewerage Scheme are currently undergoing upgrading and augmentation works to improve the level of service to consumers in terms of reliability, quality and quantity. There are altogether 25 packages under this project of which 8 have been completed. These include: PMU Reforms Consultancy; Nagatugatu Reservoir System; Wainibuku/Navitoka Reservoir System, Nausori – Rewa Delta Water Distribution System, Savura Raising Main, Raw Water
Mains – Savura Creek to Tamavua Water Treatment Plant, and Leak Detection and Repair, Meter Repair and Replacement, and Replacement of Service Pipes. Sewerage rehabilitation and augmentation works have also begun on the Kinoya Sewerage Treatment Plant, Tacirua Sewer extension, Samabula North Sewer and the Suva Point Sewerage.

In the Western division, the Nadi/Lautoka regional water supply scheme involves the upgrading of the raw water supply capacity pipeline from the Vaturu Dam to Nagado Water Treatment Plant to allow for better transfer of water to Lautoka. The progress on Natadola Water project has seen the completion of the pipeline between Sigatoka and the Voua Reservoir at the Fijian Hotel. Further developments are envisaged on the pipeline from Voua Reservoir to Natadola and construction of Natadola reservoir and pump stations.

Government will continue to pursue reform programmes in the Water and Sewerage Department. The development of a water management policy will safeguard the proper management of Fiji's fresh waters and the marine environment as well. New legislation and regulation will ensure an appropriate framework for sustainable exploitation and environmental protection of fresh water rivers and ground water aquifers.

**Development Constraints and Challenges**

- financing infrastructure upgrading, low level of cost recovery and lack of professional and technical staff;
- Aging of existing infrastructure;
- Low levels of cost recovery;
- Increased demand for infrastructure from the upcoming tourism, business centres and industrial estates
- Creation of new water and sewerage company; and
- Acceptance of people for change towards user pay concept.
3.3 Policy Objectives, Strategies and Key Performance Indicators

3.3.1 Macroeconomic Management

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<th>Policy Objectives</th>
<th>Strategies</th>
<th>Key Performance Indicators</th>
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| The nation enjoys macro-economic stability and growth on which to build improved standards of living and quality of life. | • Low and stable levels of inflation are assured through use of fiscal policy to manage budget deficits and monetary and interest rate policy to pro-actively manage inflation.  
• Promote growth consistent with criteria of the UNDP Human Life Quality Index. | • Inflation is to be kept around 3% percent over a 5-year period.  
• Annual growth rate to continually improve from the forecast of -0.3 for 2009  
• Reserves levels to continually improve from the 1.8 month of import cover in April 2009. |
| To maintain confidence in Fiji’s currency and capacity to meet international financial obligations through: maintenance of a stable foreign exchange rate regime; a reasonable level of reserves; pro-active use of interest rates; and a progressive review of exchange controls with further relaxation in annual budgets. | • Interest rates on deposits are at least positive in real terms.  
• Inflation and foreign reserve targets (above) are met and interest rate spreads reduced.  
• Debts to be reduce from 49% of GDP to less than 40% of GDP by 2012. |
| Transparent, market based interest rates maintained at levels consistent with low inflation and a comfortable level of foreign reserves.  
• To maintain a sustainable ratio of debt to GDP by restricting spending to levels consistent with debt targets. | • Revenue to be not less than 27% of GDP in each year of the plan period.  
• Annual investment increased to 25% of GDP with 15% private sector investment in 2010.  
• Top corporate and income tax rates no more than 30%. |
Goal: Maintaining macro-economic stability to facilitate social and economic development

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<td></td>
<td>● Government revenue regime is used to promote economic growth through appropriate levels of taxation, a broader tax base, reduced distortions, increased compliance and development of the user pays principle. ● To reduce government spending as a proportion of GDP through tight control of Ministerial expenditure within budget provisions and through improved cost recovery measures. ● Priority allocation of resources to focus on core activities of government in infrastructure, health and education and increasing the proportion of capital expenditure in the budget.</td>
<td>● Tax collected within 3 months of the due date to be not less than 95% of the tax due. ● Government deficit to be 3.0% of GDP for 2009 and lower thereafter. ● Net expenditure to be limited to revenue plus the target level of deficit. ● Capital to operating expenditure mix of 20:80 for 2009 and to be 25:75 by 2010. ● Maintenance expenditure to be not less than 7.5% of total expenditure.</td>
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3.3.2 Tourism

Goal: A sustainable, growing and globally competitive industry

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<td>Fiji benefits from a sustainable increase in economic contribution and retention of the tourist dollar from an environmentally and socially sustainable and equitable tourism sector.</td>
<td>● Additional rooms are constructed to maintain a balance between supply and demand. ● New markets are developed and needed physical and institutional infrastructure established. ● Promote high growth niche markets for specialized tourism. ● Cruise ship and yachting tourism promoted, using improved outer island jetty and navigational aids. ● Promote human resources development and introduce accreditation schemes for quality of services, training and</td>
<td>● Target 10,389 rooms by 2010 ● 5% annual growth rate in tourism businesses ● 8% annual growth rate in Tourism GDP ● 10% annual growth rate in tourism investment ● E-Fiji online dynamic packaging sales packaging system established for all tourism businesses ● Target 4,840 additional jo</td>
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### Goal: A sustainable, growing and globally competitive industry

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<th>Key Performance Indicators</th>
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<td></td>
<td>productivity.</td>
<td>created by 2010</td>
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<td></td>
<td>• Increase institutional capacity and resources of tourism facilitating agencies, including a sustainable funding formula for FVB.</td>
<td>• At least 4 natural and cultural attractions developed by 2010.</td>
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<td>• Increased local supply of quality agriculture, seafood and organic produce for hotels and restaurants.</td>
<td>• Target 576,000 visitors in 2010 and 1.1 million by 2016</td>
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<td>• On-going review of the tourism investment regime.</td>
<td>• Average tourist spend increase by 10% per year</td>
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<td>• Spending on destination marketing and branding of Fiji to be at least 3% of tourism earnings.</td>
<td>• Average length of stay increase to 10 nights by 2010.</td>
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<td>• At least 15% of FVB’s marketing budget dedicated to promotion of Vanua Levu.</td>
<td>• Average Occupancy rate increased from 65% in 2007 to 85% by 2010.</td>
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<td>• Retention rate increased from 46% in 2007 to 60% by 2010.</td>
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<td>Resource owners benefit from greater participation in the tourism industry.</td>
<td>• Promote licensed and accredited tourism development on native lands with equity participation by resource owners.</td>
<td>5% growth in businesses (51% or more ownership) owned by resource owners established and licensed per year.</td>
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<td>• Develop resource owner capacity to develop and participate in sustainable tourism industry and tourism related activities</td>
<td>• At least 50 per cent of nature-based and community-based tourism operations meet or exceed recommended best practice guidelines and standards by 2010.</td>
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<td>• Support training of resource owners to participate in tourism development in employment, service and supply provision</td>
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<td>• Development of natural and cultural attraction including scenic views, foot treks etc</td>
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### 3.3.3 Manufacturing and Commerce

**Goal:** Globally sustainable and competitive manufacturing, commerce and industry to compete with imports and expand exports

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| Fiji supported by a diversified and expanded manufacturing and commercial sector. | - Development of competitive, high value-added manufacturing industries, including agro-based and niche products.  
- Annual review of tariff barriers.  
- Enforcement of international standards, weights and measures, and quality control on domestic producers and importers  
- Enforcement of anti-dumping legislation and ensure imported goods meet Fiji standards, including labels and packaging.  
- Implement electronic commerce policy and legislation.  
- National programme improving competitiveness through the National Productivity Charter. | - Annual Foreign direct investment to be 6% of GDP in 2011.  
- Annual value of domestic private investment to be 9% of GDP.  
- Annual exports of goods and services increase as % of GDP.  
- Fiji to improve on the World Bank Doing Business rankings. |
| Communities should benefit from enhanced consumer protection and awareness. | - Increase effectiveness of monitoring, enforcement and service delivery by PIB, Fair Trading Department, and Commerce Commission.  
- Consumer Council to promote consumer awareness and education.  
- Improve Government and Donor support to the Consumer Council by 10% per year from the present funding of $569,170 and to enforce weights and measures standards. | - Consumer complaints solved through mediation increased from 15% (201/1305) in 2005 to 30%. |
| Diversifying Exports Base                      | - Effective implementation of the National export Strategy (NES) to broaden the country’s export base  
- Mainstream the National Export Strategy in Government’s developmental agenda | - Annual exports of goods and services to be not less than 65% of GDP |
| Improved Business Regulatory Environment       | - Fast Tracking the implementation of the recommendations of the ADB study on “An Analysis of the Legal Framework for Private Sector Development  
- Harmonize current Investment Approvals Process (IAP) reforms with the above study | - Annual value of domestic private investment to be 10% of GDP |
**Goal:** Globally sustainable and competitive manufacturing, commerce and industry to compete with imports and expand exports

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|                   | • Review/amend legislations relating to business establishment and Investment  
                    • Development of a national Strategy for Micro, Small and Medium Enterprises | |

3.3.4 **Information and Telecommunications**

**Goal:** Universal access to information and competitive telecommunication services

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<th>Policy Objectives</th>
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<th>Key Performance Indicators</th>
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| • Responsible media.  
  • Greater coverage given by media to Government programmes  
  • People and businesses enjoy improved ICT services in terms of coverage, quality and price. | • Media Promulgation  
  • Strategic partnerships with media to ensure unfettered dissemination of Government information  
  • Reduce telecom rates in the short term by promoting more discussions between potential investors in ICT services and providers of telecommunication services.  
  • Increased coverage of telecommunication services especially to rural areas by continuing to provide telecommunication access to unconnected villages.  
  • Develop Fiji as an attractive info-communications hub in the region.  
  • A well informed citizenship in the medium term requires the liberalisation of the telecommunications sector and free to air television services.  
  • Ensure the regulatory and legal framework functions.  
  • Align ICT training to | • Increased coverage of Government activities  
  • Greater public awareness of Government programmes and broad-based appreciation of Government  
  • Reduction in telephone charges by at least 25% by 2011.  
  • Telephone lines and cellular subscribers to be not less than 25% in rural areas and 75% in urban areas (MDG).  
  • Increase number of rural tele-centres from 5 to 25 by 2011.  
  • Increase bandwidth to all service providers to not less than 1000 Mbytes by 2011.  
  • Increase number of free-to-air TV broadcast providers by additional 2 by 2011.  
  • License additional 2 cellular mobile |
**Goal:** Universal access to information and competitive telecommunication services

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|                   | developments in the employment market.  
• Establish an appropriate framework and promote e-commerce development.  
• Introduce e-government in order to raise efficiency of service delivery.  
• Provide appropriate support for provision of ITC infrastructure.  
• Enactment of the new Telecommunications Bill in 2007  
• Operation of new regulator in 2008  
• Grant of at least another free to air television broadcast license by December 2007 | | operators. |
### 3.3.5 Micro, Small and Medium Enterprises

**Goal:** Creating sustainable livelihoods through enterprise development.

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| Communities improve their livelihoods through small, micro and medium enterprise development. | • Encourage excellence through annual awards for individual and group MSME excellence.  
• To improve business support services and infrastructure by:  
  • reviewing MSME laws and regulations;  
  • extending micro finance facilities to all provinces;  
  • providing incentives for large firms to develop MSME suppliers; and  
  • developing marketing for MSMEs through research conducted regularly on new markets and opportunities.  
• Establish an MSME database, with view to move it on-line (e-Gov) as an advertising site for MSMEs in Fiji, exhibiting their range of services.  
• Promote MSME capacity building in partnership with NGOs at Provincial and District level | • At least 500 MSMEs established each year.  
• Jobs in the MSME sector increased to 200,000.  
• Loans and savings clients of MFIs increased from the 2006 total of 22,000 to 30,000 in 2011.  
• Business Incubations Centres support development of 200 new enterprises during the plan period. |
| • Creation of effective working partnerships and networks to promote integrated employment solutions at national and local levels.  
• Development of new Local Economic Development (LED) strategies and community based employment models for Fiji. | | • New Inter-government employment initiatives and private sector partnerships established  
• 300 New Livelihoods Created  
• Empowering local communities & institutions to address unemployment. |
### 3.3.6 International Relations and External Trade

**Goal:** Universal access to information and competitive telecommunication services

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| Communities should benefit from Fiji’s diplomatic | • Implementation of the National Export Strategy, coordinated under the Ministry of Commerce and Industry, to be implemented as a Strategic Priority.  
• Diversify export markets, particularly in the Asia-Pacific region, in partnership with private sector.  
• Improve investment and trade facilitation and negotiation capacity.  
• Enhance existing bilateral and multilateral relations.  
• With the private sector and concerned agencies, develop a temporary employment strategy and establish agreements with regional countries, Gulf States, US and EU to facilitate training and employment of skilled and seasonal workers to be employed in those countries.  
• Develop and implement Medium Term plan/targets for free trade agreements.  
• Strengthen trade facilitation in areas of quarantine protocols, customs, ports and immigration.  
• Advocate Fiji’s interest and profile in regional and international institutions.  
• Adhere to international declarations, agreements, conventions and treaties and align domestic policies to them.  
• Recruit personnel with expertise in trade negotiations and investment.  
• Develop a South Pacific Policy Statement on regional resource pooling, governance and security.  
• Secure visa free entry for Fiji citizens to foreign countries and establish and update registry for all countries granting visa free entry by 2008.  
• Establish and maintain a website to provide | • Exports of goods and services to be increased from 58% of GDP in 2005 to at least 65% of GDP.  
• Agreements in place with Australia and New Zealand on temporary6 employment of Fiji nationals as skilled and/or seasonal workers. |
accurate and timely information on Fiji.

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<th>Cordial bilateral and multi-lateral relationships</th>
<th>Enhanced global trading opportunities</th>
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<tr>
<td>Enhanced multi-lateral relationships</td>
<td>Diligent and influential foreign trade office and missions.</td>
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- Bi-lateral discussions
- Convening of National Elections
- Alignment of Development Plans to MDGs, WSSD commitments, Mauritius Strategy and other Global Commitments
- Bilateral discussion with Australia and NZ (and Forum Island Countries) on temporary worker scheme
- Develop TOR for Review on Foreign Trade Missions
- Formalization of Diplomatic training programme established in selected local academic institution

- Re-admission into the Commonwealth by 2009
- Agreement in place with A & NZ on Temporary employment schemes by 2009.
- Increased inflow of aid
- Donor Roundtable Meeting in 2009
- Formalization of Diplomatic training programme in selected local academic institution by 2009
### 3.3.7 Employment and the Labour Market

**Goal:** Fullest and most productive utilization of our human resources

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| Employees work in a safe, healthy, decent, conducive and sustainable work environment where more people can secure incomes from employment in the formal and informal sectors and acquire technical skills and productivity levels needed for higher incomes and economic development. | • Creating new employment opportunities and self-employment for people by establishing appropriate legal and operational framework and to include the annual review of all employment incentive schemes and programmes.  
• The implementation of the ERA and its subsequent legislation that includes the establishment of Productivity Committees consistent with the 2005 Productivity Charter  
• Improved functioning of the labour market and to facilitate Labour Mobility through the establishment of a Policy and Legal framework.  
• Harmonise existing training and education system.  
• In cases of market failures, the recruitment of expatriate workers where there are appropriate shortages.  
• All expatriates to have a local understudy.  
• Formulation of the NSHRP  
• Accelerate the right-sizing of the public sector.  
• Speed up the reform agenda in the Public Enterprise Reform. | • Unemployment reduced from 8.6% in the 2007 Census to less than 4.2% by 2012.  
• Increasing people in paid employment from 298,974 by 3% per year or the rate of GDP growth, whichever is the higher.  
• Increase intake at tertiary and vocational institutions to meet skills needed.  
• Increase the number of people entering apprenticeships from 100 to 350 annually.  
• Each year, 10 organisations to attain compliance with the productivity clause of the ERA, once enacted.  
• The proportion of the economically active rural population in full time paid work increased from 49% in 2007 Census to not less than 60%.  
• Increased compliance of the OHSA.  
• NSHRP to be in force by December 2009.  
• Number of Civil servants reduced from 26,000 to 17,000.  
• Not less than 10 public entities sold into private ownership by 2010. |
### 3.3.8 Land Resources Development and Management

**Goal:** Proper land use planning and management to support economic development

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<td>Resource owners and land users securing long term incomes from environmentally sustainable land development and management.</td>
<td>• <strong>Establishment of a Committee to provide advice of land availability options</strong>&lt;br&gt;• Encourage dialogue and consensus in adopting appropriate land tenure legislation which has support of all stakeholders.&lt;br&gt;• Strengthen institutional capacity and adequately resource the Land Resource Planning and Development Unit and the Land Conservation Board to enforce land use policies.&lt;br&gt;• Complete review of the Land Conservation Act.&lt;br&gt;• Strengthen resource management and awareness on appropriate land use and watershed management practices from the community level.&lt;br&gt;• Strengthen coordination between agencies involved in land development to ensure land is put to its most productive use.</td>
<td>• A land tenure system is in place which allows equitable returns to owners and users through an effective market for land use rights.&lt;br&gt;• Number of cases on improper land use practices and rate of prosecutions.&lt;br&gt;• <strong>Establishment of a National Land Register</strong></td>
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### 3.3.9 Sugar

**Goal:** A sustainable sugar industry

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| To re-structure the sugar industry into a commercially viable, profitable and sustainable industry. | • Implementation of the sugar industry reform plan, including the National Adaptation Strategy.  
• Encourage dialogue and consultation to ensure land availability for the industry.  
• Promote milling efficiency and cane quality payment system.  
• To improve efficiency and productivity of cane production in farms through improved extension and research services.  
• Review the cane transportation system and harvesting with the objective of making it more cost effective, efficient and practical.  
• Increased range of crops produced (including aquaculture) in the cane belt.  
• Design and implement sugar product diversification such as cogeneration and ethanol production.  
• Implement measures to address the social impact of the industry restructure.  
• Review of Master Award | • Yield per ha increased from 61mt/ha in 2006 to 70mt/ha by 2010.  
• TCTS ratio improved from 11 TCTS in 2006 to 8 TCTS by 2010.  
• Extraction rate of sucrose increased from an average of 72% in 2006 to 85% by 2010.  
• Reduce milling costs from $280/mt raw sugar in 2006 to $140/mt raw sugar by 2010.  
• Reduce production cost of per ton cane from $35 to $20 by 2010.  
• Sale of up to 137GWh of electricity to the national grid by 2011.  
• FSC return on investment not less than 10% and a debt to equity ratio of not more than 60:40.  
• Returns per farm labour day to remain at least the present levels.  
• Monitor school enrolment in cane belt areas. |
### 3.3.10 Non-Sugar Agriculture and Livestock

**Goal:** Sustainable community livelihood through competitive exports and food security

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| Fiji is served by a thriving agriculture sector that sustains Fiji’s food security and sets a strong platform for commercial agricultural development. | • Establish commodity protocols with existing and new markets (China, Australia, NZ, EU, US, Japan) and promote formation of industry councils to spearhead/coordinate commodity development.  
• Strengthen demand driven research and expansion in partnership with the private sector.  
• Identify mechanisms to improve accessibility of farmers to credit facilities.  
• Build capacity at community level for commercial agriculture. More coordination required among various programs implemented by different ministries.  
• Improve linkage with local tourism industry. Assessments to be undertaken on industry needs and awareness, training and support provided to farmers to meet these standards.  
• Review all existing BQAs and commodity protocols. Assessment to be undertaken on market needs and current level of supply. This information to be widely disseminated to farmers.  
• Identify potential new markets (Asia, Americas).  
• Improve training services. Review and better coordinate training programs in various ministries. Make training more farmer friendly, more accessible, and affordable.  
• Conduct household, village, settlement food security awareness and support.  
• Promote standards for all commodities and food stuff sold locally. | • Maintain agriculture sector’s contribution to GDP at 12%.  
• Value of non-sugar agriculture exports increased from $38.6m in 2006 to $80m by 2010.  
• Value of fruits and vegetables imports reduced from $150m in 2007 to $80 in 2010.  
• Increase lending to agriculture sector of commercial banks to 1% of total loan portfolio by 2010 from current level of 0.6% in 2005.  
• Number of projects implemented through PPP from 10 in 2007 to 50 to 2010.  
• Agricultural Census completed by 2010 |
### 3.3.11 Forestry

**Goal:** Sustainable development and management of forest resources.

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| Sustainable development and management of the forest resources and maximize the long term economic returns. | • Reform institutional environment through review of legislation, and function and structure of Forestry Department.  
• Introduce new forest licensing system based on long term agreements and aimed to ensure sustainable supply of forest goods and services.  
• Incorporate watershed management and soil conservation in management of all forest types.  
• Promote use of domestic timber products in local construction sector.  
• Develop capacity of resource owners to effectively participate in forestry development.  
• Undertake research focused on developing new products such as non wood forest products.  
• Encourage value adding in the industry through coordinated processing and marketing.  
• Promote resource utilisation efficiency in primary and secondary processing.  
• Provide infrastructure to support development in the industry, such as roads for harvesting access. | • Adoption of revised legislation to support the new Forest Policy by 2009.  
• 2 forest native reserves identified and gazetted by 2010.  
• Forest sector contribution to GDP increased from 1.1% in 2006 to 1.6% by 2011.  
• Target commercial annual harvesting of mahogany at 100,000 m³, pine at 450,000 m³ and native at 150,000 m³ by 2009.  
• Double annual export earnings from sector, including value adding, from $60 million in 2006 to $120 million by 2011.  
• Develop a non wood product industry to generate at least $5million by 2011.  
• Area of stocked plantation forests increased by 20% by 2010 from 87,000ha to over 105,000ha.  
• Value of contracts secured by indigenous Fijian businesses not less than 40% by 2010. |
### 3.3.12 Marine Resources

Goal: Pursuing growth and ensuring food security through sustainable marine resource management

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| Communities benefit from sustainable development and management of marine resources to maximise long term economic returns. | • Review existing institutional arrangement including legislations to take account of global and national developments.  
• Provide appropriate support through institutional strengthening and reform of the Department of Fisheries.  
• Build capacity at community level to manage its resources, including inshore fisheries and coral reef management.  
• Encourage private public partnerships for industry driven research and training.  
• Build local industry capacity on HACCP and CITES requirements.  
• Review existing policy and regulations on offshore tuna industry e.g. annual license renewal requirement. The outcome of the review should look at how to better support the local industry. | • Ratio of total catch to sustainable yield (or TAC) for each targeted species to be less than 1.  
• Fisheries sector contribution to GDP increased and maintained at 3% from current level of 2.6% of GDP.  
• Increase fisheries export from $97.9m in 2006 to $110m by 2010.  
• Proportion of total tuna catch landed by indigenous Fijian licensed vessels to be increased from the present 25% to not less than 40%. |
### 3.3.13 Mineral and Groundwater

**Goal:** Pursuing growth through sustainable mineral and groundwater resource management

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| Communities benefit from sustainable development and management of mineral and groundwater resources to increase long term economic returns for the broader community, in particular to indigenous Fijian resource owners. | • Provide appropriate institutional environment for sector development.  
• Strengthen resource management by proactive enforcement of provisions of the Environment Management Act and other legislations.  
• Implement Vatukoula Rehabilitation Program  
• Complete the process of reviewing the Mining Act to promulgation.  
• Capacity building within the Department of Mineral Resources.  
• Review fiscal regime for mining sector to be regionally competitive.  
• Encourage cordial relationship with landowners including awareness on land tenure issues and developments in the industry with investors and landowners.  
• Build local capacity and institutional support for the exploration and development of other segments such as offshore mineral, gas, geothermal energy, marble quarrying etc.  
• Development of a long term strategy or ‘Road Map’ for the Mining sector  
• Put in place appropriate policy and legislative support for the management and utilization of water resources, including groundwater. | • Water quality at rivers/streams in the vicinity of mining operations maintained at acceptable standards.  
• Sector contribution to GDP restored to 0.57% by 2010.  
• Enactment of revised Mining Act in 2010  
• Annual exploration expenditure doubled to $12 million by 2010.  
• Annual gold exports of $83.5m by 2010.  
• Annual bottled water exports increased from $86.9m in 2006 to $96.9m by 2010.  
• Formulation of a Long Term Strategy or ‘Road Map’ for the Mining sector by 2010 |
### 3.3.14 Financial Services

Goal: An effective, competitive and stable financial system that will enhance economic growth and development

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| People and organizations in Fiji have access to appropriate modes of transparent, sound and secure financial and banking facilities. | • To review, evaluate, implement and monitor appropriate recommendations of the COIFS report, the 2007 FSAP, EFF review, Action plan for Insurance and Guarantee, FNPF studies and restructure of Fiji’s superannuation sector, FDB review recommendations and the Rural banking survey recommendations.  
• Promote development of formal financial institutions in all rural and outer island areas.  
• Develop, promote and monitor financial instruments which provide cost effective export finance to remove financial constraints on exports.  
• Introduce, monitor and develop a RTGS system to increase efficiency.  
• Enhance safety and protection of financial institutions and financial services from their use and abuse by criminals for money laundering, corruption, fraud and other serious crimes.  
• Examine the feasibility of an ombudsman to promote and protect customer interests in financial services.  
• Review legislations and regulatory procedures, including micro-finance regulations and legislation on RBF, Banking, Insurance, and Superannuation.  
• Enhanced monitoring of bank fees and charges.  
• Collect and analyse data from | • Improvement in the accessibility by micro, small and medium enterprises to loanable funds for economic purposes.  
• Encourage promotion of access to basic banking services for rural areas and the reduction in unbanked areas by 2010.  
• Establish an indicator, which allows the Government to both measure and monitor this accessibility on an on-going basis.  
• 50% of exports are financed by export finance at competitive rates.  
• Increased awareness of Suspicious Transactions Reporting (STR) and issues relating to money laundering and financing of terrorism throughout all sectors of the economy.  
• To formalise and finalise all reporting lines of STRs by 2009.  
• Achieved full implementation of the requirements of the Financial Transactions Reporting (FTR) Act by 2008.  
• Ensure that financial institutions under the FTR Act put in place appropriate know-your-customer rules and procedures and develop and employ due diligence policies.  
• Total equity market capitalization of listed entities increased to 100% of GDP from 25% by 2010.  
• Value of shares traded on the stock exchange annually increased to 2% of market capitalisation by 2010. |
Goal: An effective, competitive and stable financial system that will enhance economic growth and development

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<td>Widening coverage of financial services</td>
<td>• Increase rural and outer island households with savings in institutions and banks from 30% to 50% and with borrowings from 6% to 25% by 2012</td>
<td>• To explore avenues to capture remittances within the capital markets&lt;br&gt;• Develop a National Strategy for the development of micro, small and medium enterprises&lt;br&gt;• Setting up of incubator programme for MSMEs’&lt;br&gt;• Strengthen the central bank’s monitoring and supervisory role&lt;br&gt;• Developed/establish an information sharing network system amongst financial services sector entities</td>
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<td>Critique of prudential supervision</td>
<td>• 50% of exports are financed by export finance at competitive rates by 2015&lt;br&gt;• The annual rate of detection of</td>
<td>• Establishing a Financial Services Ombudsman&lt;br&gt;• Examining whether there are adequate mechanisms for</td>
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Goal: An effective, competitive and stable financial system that will enhance economic growth and development

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|                   | suspicious transactions increased from 300 to 500 by 2011  
• Increase rural and outer island households with savings in institutions and banks from 30% to 50% and with borrowings from 6% to 25% by 2013 | protecting consumers and addressing consumer complaints  
• Establishment of a financial services commission for the entire financial system to look at customer’s grievances, to manage a comprehensive program of consumer awareness and education, providing information and guidance on the financial institutions and instruments  
• Review of financial services transaction framework to encourage lending to sole and small proprietorships  
• To ensure that the financial system is operating under a sound and stable environment with an appropriate levels of funds management and improved disclosures of financial statements  
• The central bank’s role in monitoring and supervising the financial services system must be increased to avoid unnecessary exposure to economic or financial shock |
| Deepening financial markets | Development of the Capital Markets which includes market infrastructure and microstructure; policy frameworks and enabling legislation; training and development for intermediaries; awareness and education programs for investors and businesses by 2009  
• Development of capital market regulatory aspects which include licensing market players; | establishing a Capital Markets Master Plan;  
• review of Legislations impacting the financial sector;  
• enhancing the value proposition for Fijian issuers;  
• improving the role of the capital market in meeting investors preferences;  
• developing internationally competitive market institutions and intermediaries;  
• ensuring the effectiveness of regulation within the changing |
**Goal:** An effective, competitive and stable financial system that will enhance economic growth and development

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<td>Protecting investors through prudential supervision; ensuring compliance with relevant laws and rules by market players; regulating &amp; supervising the Stock Exchange; and promoting Good Governance by 2015</td>
<td>• Using private fund managers to invest FNPF funds, demonopolize the industry with superannuation remaining mandatory, and demonopolizing the industry with superannuation optional for each citizen by 2015 • Individual participation in the market is negligible To promote wider participation, share investment scheme of the FNPF be extended to Government and Government guaranteed bonds by 2015 • Government to consider issuing bonds only earmarked for small investors by 2011 • All offshore investments strengthened</td>
<td>• market environment; • formulating a comprehensive vision and programme for the development of Fiji’s capital market; • formulating a framework for the orderly and effective sequencing of deregulation and liberalization; and • identifying and mapping the direction for the strategic positioning of Fiji’s capital market both domestically and externally</td>
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<td>Management of superannuation funds</td>
<td>• Splitting up the management of the FNPF’s investment portfolio • Deregulation of the Superannuation industry (Demonopolisation of FNPF) • Improving the financial literacy of its members • Government to issue a yearly program indicating when it will issue bonds and Treasury Bills in the market, in order for the market to prepare and for investors to set funds aside</td>
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### 3.3.15 Transport

**Goal:** To provide cost-efficient transport services that is safe and environmentally sustainable to enhance access to services and markets

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| **Multi-modal**   | • Review Government Subsidies on Transport.  
                  • Attract potential investors to provide alternative modes of transportation through PPP framework.  
                  • To promote the use of public transport.  
                  • Introduction of effective measures to reduce the number of road deaths, mishap at sea and air crashes through enabling legal frameworks.  
                  • LTA, FIMSA and CAAFI incorporate stringent safety and security measures.  
                  • To continue investment in the construction, maintenance and upgrading of the national transport network supported by enabling legislation and regulation enforced.  
                  • Ensure provision of access to all forms of transport.  
                  • To promote the use of fuel efficient vehicles.  
                  • Undertake a wider study on the transportation system in the Suva-Nausori corridor, including study of intermodal and peak hour variability, and make and implement appropriate decisions on the recommendations. | • At least one transport PPP project over $100 million by 2014.  
• Reduction in annual fatalities on all forms of transport by at least 20% from the present 90. |

| **Land Transport**  | • Protect investment in the national land transport network through effective controls on vehicle overloading and adequate maintenance.  
                       • Reform and consolidate the land transport sector.  
                       • Reform the Government Quarry.  
                       • Acquisition of plants and heavy machinery.  
                       • Continual revision of traffic management schemes.  
                       • Control on the importation ages of second hand vehicles.  
                       • Introduction of alternative fuel powered vehicles.  
                       • Review the Land Transport structure and funding mechanisms for implementation.  
                       • Improve vehicle operating cost by investing in more maintenance. | • Not less than 125km of national roads resealed and 40km rehabilitated each year.  
• Annual CO2 emissions per capita reduced from 1.6mt to 1.0mt.  
• Average vehicle emission levels reduced from 40,000 ppm to 20,000 ppm.  
• Reduce vehicle |
**Goal:** To provide cost-efficient transport services that is safe and environmentally sustainable to enhance access to services and markets

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|                   | • Undertake a wider study in the transportation system in the Suva-Nausori Corridor including study of inter-modal and peak hour variability, and implement appropriate decision on the recommendation.  
• Consolidation of the Traffic Act (Cap 176)  
• Review of the Land Transport Act, 1998 and subsidiary regulations.  
• Merger of LTA & Dept of National Roads (PWD)  
• Protect investment in the national land transport network through effective controls on vehicle overloading and adequate maintenance  
• Reform & consolidate the Land Transport Sector  
• Self-funding mechanism develop for LTA, DNR, NRSC, Police Traffic & Municipalities.  
• Implementation and monitoring of user-pay principles  
• Improve the traffic management schemes and reduce traffic congestion at main trunk routes  
• Review of current LTA traffic infringement, fines & penalties.  
• Control on the importation of second-hand vehicles  
• Introduction of alternative powered vehicles  
• Review the Land Transport structure & funding mechanisms for implementation  
• Improve vehicle operating cost by investing in more road maintenance | emission opacity from 70% to 35%.  
• Reduce road death toll from 120 to 50 pa. |

**Marine Transport**  
Communities and the country enjoy better access to passenger and cargo shipping services.

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|           | • Improve efficiency at ports and provide competitive international port charges, including for cruise ships.  
• More frequent services to Maritime Provinces.  
• Develop and upgrade seaways and main rivers.  
• Replacement of at least 1 light house annually and continue ongoing maintenance programme.  
• Ensure a high level of safety and security in sea transport and prevent marine pollution.  
• Provide economical, safe, adequate and efficient facilities for the transport of goods and people | • Annual tonnage of international cargo handled in Fiji ports increased from 3.3 million revenue tons in 2005 to 5 million by 2011.  
• Minimum of 2 trips per month on |
**Goal:** To provide cost-efficient transport services that is safe and environmentally sustainable to enhance access to services and markets

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<td>to facilitate trade, transhipment and other related functions.</td>
<td>each outer island route.</td>
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<td>• Ensure optimal location, updated design and construction of existing and new jetties.</td>
<td>• Fiji maintains its White List Status.</td>
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<td>• Commence implementation of Rokobili Port.</td>
<td>• Main Ports maintain ISPS Code status.</td>
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<td>• Review of the Shipping Franchise – ROI</td>
<td>• Building social cohesion</td>
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<td>• Review of Fiji Shipping Corporation Ltd – ROI</td>
<td>• Achieving high &amp; sustainable economic growth</td>
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<td>• Re-organisation of FIMSA &amp; review of the Marine Act, 1986 and subsidiary regulations.</td>
<td>• Integrated provincial development</td>
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<td></td>
<td>• Develop a user pay concept for all possible income generating capacity for the service provided and to review the current charges on services rendered.</td>
<td>• Poverty alleviation</td>
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<td></td>
<td>• Facilitate efficient and cost effective shipping services to rural and outer islands</td>
<td>• Improved health services</td>
</tr>
<tr>
<td></td>
<td>• Facilitate the training program for the apprenticeship scheme for the 20 intakes for 2009 and ongoing apprentices.</td>
<td>• Traveling public satisfied with government shipping services.</td>
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<tr>
<td></td>
<td>• Draft &amp; promulgate a Marine (Aids to Navigation) Regulation</td>
<td>• Smooth operations of the shipping fleet.</td>
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<td></td>
<td>• Provision of adequate maritime infrastructure such as Aids to Navigation (AtoNs), Mooring Buoys, Beacons, etc.</td>
<td>• Qualified people in the ship building industry.</td>
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<tr>
<td></td>
<td>• Identification and development of new &amp; shorter sea Routes.</td>
<td>• Improved and safer shipping.</td>
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<td></td>
<td>• Replacement and maintenance of lighthouses and beacons.</td>
<td>• Global integration &amp; international relations</td>
</tr>
<tr>
<td></td>
<td>• Update registry and improved database &amp; archival records</td>
<td>• The Maritime &amp; Port Sector and the Marine environment are safe, secure and clean for all its users.</td>
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<tr>
<td></td>
<td>• Update registry and improved database &amp; archival records</td>
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<td></td>
<td>• Provision of Safety standards, risk analysis, monitoring, enforcement, communication &amp; operational capabilities necessary to ensure the safe, secure &amp; effective operation of the maritime safety system and the protection of the marine environment.</td>
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<td>• Cruise Ship &amp; Yachting Tourism promoted, using improved outer island infrastructure &amp; Aids to Navigation - ROI.</td>
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<td>• Introduction of effective methods to reduce</td>
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**Goal:** To provide cost-efficient transport services that is safe and environmentally sustainable to enhance access to services and markets

<table>
<thead>
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<th>Policy Objectives</th>
<th>Strategies</th>
<th>Key Performance Indicators</th>
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<tr>
<td></td>
<td>number of accidents and incidents at sea through education including enabling legal framework</td>
<td>• Procedure familiarity</td>
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<td></td>
<td>• FIMSA to enforce stringent safety &amp; security measures in accordance with the ISPS Code</td>
<td>• A comprehensive information management system supporting the enhanced scope of FIMSA.</td>
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<td></td>
<td>• Improve efficiency at ports and provide competitive international port charges including Cruise ships</td>
<td>• Enhancing the effectiveness and efficiency of strategic initiatives and programmes.</td>
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<td></td>
<td>• Draft &amp; promulgate a Marine (SAR) Regulations</td>
<td>• Maintenance of international standards.</td>
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<td></td>
<td>• More frequent services to maritime provinces</td>
<td>• Maintenance of international maritime standards.</td>
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<td></td>
<td>• Develop &amp; upgrade seaway and main rivers</td>
<td>• Global integration &amp; international relations</td>
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<td></td>
<td>• Replacement of at least one lighthouse annually and continue ongoing maintenance programme</td>
<td>• Safe and improved shipping and discovery of new adventure spots.</td>
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<td></td>
<td>• Ensure a high level of safety and security in sea transport and prevent marine pollution</td>
<td>• Improved hydrographic services</td>
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<td></td>
<td>• Provide economical, safe, adequate and efficient facilities for the transport of goods and people to facilitate trade, transshipment and other related functions</td>
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<td></td>
<td>• Ensure optimal location, updated design and construction of existing and new jetties.</td>
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<tr>
<td></td>
<td>• Commence implementation of Rokobili Ports</td>
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<tr>
<td></td>
<td>• Provision of up-to-date, timely and accurate Hydrographic publications necessary for safe and efficient navigation for navigable waters of Fiji in the most cost-effective and efficient manner.</td>
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<td></td>
<td>• Develop a user pay concept on all possible income generating avenues for the services and to review the current charges on products produced.</td>
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<tr>
<td><strong>Air Transport</strong></td>
<td>• Continued improvements in airport infrastructure and facilities, including capacity extension at Nausori to accommodate 737-800, widening at Savusavu, and upgrading at Rotuma to facilitate as port of entry.</td>
<td>• 3 or more airlines with unsubsidised, scheduled domestic flights.</td>
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<td></td>
<td>• Design a model that will take care or manage non-core activities of CAAFI</td>
<td>• Passenger seat km on domestic flights restored to 1999 levels of 110 million by 2010 and increased to not less than 150</td>
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<td>• Increased number of passenger seats per annum.</td>
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<td>• Improved runway capacity to meet additional cargo requirements.</td>
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<td>• Utilization of additional air traffic rights under</td>
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**Goal:** To provide cost-efficient transport services that is safe and environmentally sustainable to enhance access to services and markets

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<th>Key Performance Indicators</th>
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| existing ASAs by 2009. |  • Restructure and reform within the aviation industry in line standards by 2009.  
  • Airstrips to be compliant with ICAO international standards.  
  • A new international airport in Vanua Levu to be evaluated and considered by 2010.  
  • Review the role of Air Pacific in the development of the tourism and export sector  
  • Encourage domestic and regional aviation competition to benefit Fiji’s travelling public, tourism and export sector. |  • International airfreight capacity increased from 700 million tonne/km in 2005 to not less than 1,000 million tonne/km by 2010. |

3.3.16 Energy

**Goal:** To facilitate the development of a resource efficient, cost effective and environmentally sustainable energy sector

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<tr>
<th>Policy Objectives</th>
<th>Strategies</th>
<th>Key Performance Indicators</th>
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| The community has increased secure access to affordable and reliable energy supplies. |  • Enact/enforce appropriate legislation to improve sustainable energy use, including the National Energy Policy (NEP) and Renewable Energy Based Rural Electrification Act.  
  • Monitor Customer satisfaction through survey and develop and implement an awareness programme.  
  • Establish a reliable energy information system for end use decision making at all levels.  
  • Assess Fiji’s energy security situation to guide future policy decisions.  
  • Greater collaboration within the industry and with other sectors and strengthens private sector involvement in all forms of energy. |  • GDP per kg oil equivalent, at constant 1995 prices, increased from $5 in 2004 to $8 by 2010.  
  • Household power outages on Grid Lines are each not more than 5 minutes by 2012.  
  • 90% national electrification coverage by 2012 with urban increased from 95% to 98% and rural areas from 70% to 85%.  
  • IPP to produce not less than 250GWh of
**Goal:** To facilitate the development of a resource efficient, cost effective and environmentally sustainable energy sector

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<th>Strategies</th>
<th>Key Performance Indicators</th>
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<td></td>
<td>including review of tariffs, cost recovery and competition in energy production.</td>
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<td></td>
<td>• Reduce inefficient use of energy through energy efficiency research, demonstration, energy audits, regulation, and building codes, and create a robust market for energy.</td>
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<td></td>
<td>• Promote measures to reduce fossil fuel consumption, including in the transport sector, and encourage alternative fuels for the power, transport and other sectors efficiency services.</td>
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<td>• Develop and implement a national electrification master plan covering both grid and stand-alone systems.</td>
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<td>• Formation of an appropriate independent regulatory agency and review the Electricity Act.</td>
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<td>• Assess local renewable energy resource potential, undertake research, identify technologies appropriate to Fiji.</td>
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<td>• Encourage competition in the generation of energy.</td>
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### 3.3.17 Water and Sewerage

**Goal:** Increasing access to continual safe drinking water and appropriate sanitary waste disposal systems

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<th><strong>Policy Objectives</strong></th>
<th><strong>Strategies</strong></th>
<th><strong>Key Performance Indicators</strong></th>
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</table>
| The community is served by access to reliable and adequate supplies of safe water in both urban and rural centres and to sanitary and environmentally safe sewerage waste systems and treatment facilities | • Expanding the rural water supply schemes and extending and upgrading major urban and regional water schemes to include rural areas as outlined in their respective master plans.  
• Expansion of the sewer reticulation network and sewerage treatment facilities and promoting the need for care of the environment  
• Private sector participation in the provision of capital works of water and sewerage services increased through outsourcing or management contracts and reorganisation of Water and Sewerage as a Fiji Water Authority, supported by review of tariffs and to improve efficiency and effectiveness.  
• Identify 30 possible water and sewerage projects and prepare cost estimates and tender documents for implementation under contract; and promote aggressive leakage reduction programmes by setting targets for volumetric savings per month. | • 90% of the urban population and 75% of the rural population have access to safe water supply by 2012  
• Increase in the annual number of water connections to new customers from approximately 3,000 to 3,500.  
• Increase in the urban population with sewerage connection to not less than 35% by 2012  
• Level of unaccounted for water reduced from approximately 30% to 25% by 2012. |
CHAPTER 4
Chapter 4 Socio-Cultural Development

The Roadmap is about the Fijian people - their health, education, employment, happiness, sense of fulfillment, and general well-being. This chapter presents the social agenda that makes reference to the bond between the individual and the government in which the government recognizes the individual’s rights and responsibilities and promises to deliver the basic necessities for a decent living and existence. These necessities include the provision of water, food, clothing, shelter, adequate nutrition, basic education, primary health care, productive assets, security, and protection from shocks and risks.

4.1 Review of Social Development

4.1.1 Human Development Index and Millennium Development Goals

One of the key purposes of good governance is the creation of a society free from poverty where all have equal access to their basic needs and social justice is assured. The challenge is not only to reform the economy in order to boost economic growth but also to empower the people as a means of revitalizing their livelihoods. Doing so calls for a human rights approach to development planning that places people at the centre of development efforts. The added value provided by this approach is that the norms and values enshrined in it have the potential to empower the poor. This is important, because it is now widely recognized that effective poverty reduction is not possible without empowering its people.

Most of the social indicators have worsened in Fiji over the past decades. These indicators include the Human Development Index (HDI) and the Millennium Development Goals (MDGs) - the proportion of the people living in poverty, maternal and child mortality rates, and primary school enrolments.

The HDI is a widely accepted measure of a country’s progress in attaining satisfactory levels of education, health and income. Fiji’s ranking was 42nd in 1975 but dropped to 61st in 1997. Its position further eroded in the late 1990s. Based on the 2007/08 UNDP Human Development Index, Fiji currently is placed 92nd out of 177. Samoa and Tonga — which had rankings similar to those of Fiji in the 1970s — have performed much better than Fiji in recent years, with rankings of 77th and 55th in 2007/08 respectively.

The Millennium Development Goals (MDGs) and their associated targets and indicators, which were endorsed by 189 countries including Fiji in the 2000 Millennium Summit, provide a recognised set of indicators that can be used to judge the key elements of social progress. 23 of the 58 MDG indicators are included as Key Performance Indicators in the relevant chapters and links to MDG indicators are stated. The revised monitoring framework for MDGs is attached as Annex 1.
4.1.2 Global Partnership for Development

The Millennium Development Goals, specifically through Goal 8, call for a Global Partnership for Development. The focus of the targets and indicators under this Goal relate to the amount and thrust of developed countries’ aid to developing countries. Development assistance to Fiji is important and development partners continue to work with Government to improve the livelihoods of people in Fiji. However, aid donor grants are not large and represented around 1.3% of Fiji’s GDP in 2003.

Donor grants fell in 2000, as most development assistance was withdrawn following the May 2000 crisis. Donor funds increased in 2001 and were restored to more normal levels in 2002. Estimates for 2004 and 2005 show that donor grants were more than doubled compared to 2002 as the Australian programme expanded and the EU programme was re-established. Loan finance is also available through the Asian Development Bank.

Donor programmes are well-aligned to the areas covered by the MDG’s. In the Education Sector, the Fiji Education Sector Programme (FESP) continues to assist the Ministry of Education with the provision of improved infrastructure and upgraded facilities. The total 5-6 year programme with a Non-State Actor component has been funded via a $45 million grant from the European Union. Likewise, assistance to the Ministry of Education in terms of capacity support, relevant training and upgrade of tertiary qualifications will likely be the focus in the next 5 years for the second phase of the AusAID funded Fiji Education Sector Programme. Scholarships from NZAID and AusAID will continue to provide the thrust for higher learning for those seeking further education. The construction of the Japanese Government funded ICT Centre at the University of the South Pacific will see a state-of-the-art learning environment conducive to delivering better ICT outcomes for not only Fiji citizens but the Pacific populace that study there as well.

In the Health Sector, a second phase of the AusAID funded Fiji Health Sector Improvement Programme is envisaged to commence in 2010, possibly for the duration of another 5 or so years. This initiative will likely focus on strengthening the capacity of the Ministry of Health to provide an even more efficient and effective standard of service delivery to the citizens of Fiji. The NZAID Medical Treatment Scheme will continue to complement Government’s own efforts to provide medical treatment abroad. The interventions of WHO and UNFPA in areas dealing with support for training, population-related initiatives, preventative programs and general health assistance should continue in the near future.

Development Constraints and Challenges

Whilst the level of Government-Donor engagement is relatively significant during the review period, the lack of proper framework to guide this engagement was an issue of concern. Donor coordination and enhanced partnership needs to be strengthened. To this end Government aims to improve its coordinating mechanisms, using proper guidelines and procedures whereby government and donors will work together to ensure that Government’s priorities are addressed for sustainable development. Government is
committed to increase the effectiveness of aid through adhering to the principles of the Paris Declaration.

4.1.2 National Identity and Social Cohesion

Fiji is a multi-racial, multi-cultural and pluralistic country with a multiplicity of languages, religions and ways of living. However, the country is a fragmented society because there is no unity amongst the citizens of this nation. Previous attempts were made to address racial differences and disunity by former governments, NGOs and Civil Societies, but did not come to fruition. There is an absence of a National Identity. At present the citizens of Fiji identify themselves more strongly with their religions, ethnicity and by their various community or province than by nationality.

Most of the i-Taukei lived in villages, grouped into districts and provinces and they had aligned themselves with Christianity because it brought civilisation into the country and was the first western religion to arrive in Fiji through the missionaries whereas Fijian Indians are mostly associated with Hinduism and Islam; and Fijian Chinese with Buddhism. Within each of the ethnic or religious groups, there exist various other subdivisions, such as tikinas or districts, which embrace many villages. Districts have similarities and differences in terms of dialects, religious beliefs and culture. Different religions have different denominations, sects and sub religious groups. We as people of this country lack understanding of other’s lives and the way people live. This contributed to religious intolerance and religious sacrilege because people do not appreciate and respect other faiths and beliefs.

These differences were usually taken by many of our political leaders to gain political mileage. So, during the past thirty eight years, political leadership played a key role in dividing our people rather than uniting us. The division was derived from the colonial system of leadership of divide and rule. Our leaders have failed to unite our various communities in a form that truly reflects our diversity.

Weak and poor leadership contributed to the building of a fractured and fragmented society. Leadership in the past had intentionally kept the people of this nation apart, and had used the race card for their survival. If Fiji’s leaders and its people do not work together or join hands to define what we have in common and what we want to achieve together in the future we will never achieve the peaceful and prosperous society which we all aspire to.

Development Constraints and Challenges

The lack of social cohesion has contributed to exclusiveness and lower economic growth. One of the main challenges we face is how to unite people who comprise several ethnic communities with diverse social, economic and cultural backgrounds. It is this diversity which requires a symbol that is acceptable for the whole population, as a basis for the development of national identity and creates firm allegiance. This allegiance can be constructed, made concrete, communicated and maintained over time. The process to
negotiate a national identity is a continuous process which demands inclusiveness and the fair representation of people and cultures. The end results ought to be a shared conviction that people are socialized into believing its essence, resulting in its internalization.

A process needs to be designed and facilitated that can include the participation of Fiji’s peoples and our leaders need to be focused on our nation rather than their sectional interests. We need to build Fiji into a non-racial, culturally-vibrant and united, well-governed, truly democratic nation that seeks progress, and prosperity through merit-based equality of opportunity, justice and peace. Establishing a national identity through a common name is of utmost importance with education, religion, and culture having important roles to play in our peaceful co-existence, social cohesion and nation building.

4.1.3 Poverty Reduction

The growing incidence and the dynamics of poverty in Fiji have stratified and polarized Fijian society between the haves and the have-nots and between the educated and the uneducated. Poor parents beget poor children, creating a kind of dynasty of the poor. The resulting tensions and social conflicts have eroded the fabric that held the Fijian society together.

Poverty reduction is the most difficult challenge facing Fiji and its people and the greatest obstacle to the pursuit of sustainable socio-economic growth. Reducing poverty has been a core policy objective of successive Governments for many years. Poverty alleviation has been regularly articulated in development plans and strategies and annual budget. Poverty reduction is a core objective of all development partners and the first MDG concerns the eradication of extreme poverty and hunger.

On the basis of the 2002/03 Household Income Expenditure Survey (HIES) results 34.4% of the population lived below the Basic Needs Poverty Line (BNPL), indicating a 5% increase from the 1990-91 HIES. Most of those in poverty are people living in rural areas, particularly those from the Fijian Indian community. The poverty gap is estimated to have been $2,616.64 per year for an average household. The gap is the difference between the national poverty line (estimated at $8062.6 in 2002), and the average income of a poor household ($5,445.96 per year). This indicates the depth of poverty. Fiji remains a society with deep income inequalities. The 2002-03 HIES shows that the poorest 20% of the household received 5.9% of the national income while the top 20% of the households received 47.9% of the national income. Results of the 2008-09 HIES will be available by the end of 2009.

Further, the estimated basic needs poverty line (BNPL) per household per week increased from $28.45 in 1977 to $83 in 1990 and to $132 in 2002. Statistics collected from various HIES indicate the existence of high levels of poverty in Fiji although the non-availability of consistent data on poverty has resulted in various viewpoints on the actual levels of poverty in Fiji. There is clear evidence of a worsening of the poverty situation
(35% by 2002) and that there has been no evidence of any significant improvement in more recent years.

Poverty has many dimensions, one of which is the extent to which people have sufficient food. In the MDGs, this issue is measured by the prevalence of under-weight children, and the proportion of the population who are receiving less than the minimum level of dietary intake. The most recent national figures were collected by the 2004 Fiji National Food and Nutrition Survey. The survey found a low incidence of child malnutrition. At a national level, the incidence of under-weight children less than 5 years in Fiji was 15% in 1980, 10.5% in 1993, and 7% in 2004.

Coordination and monitoring of all poverty alleviation programmes is essential. The PMU needs to be strengthened to coordinate all poverty reduction programmes and to implement the National Integrated Poverty Eradication Programme Framework. Government remains committed to funding ongoing poverty alleviation programmes such as assistance for housing and squatter upgrading, microfinance, education assistance and safety net programmes. This is evident in the increase of the minimum monthly Family Assistance allowance of $30 to $60. Rural livelihood development projects, including the Rural and Outer Island Development Project and the Northern Development Programme will supplement existing government initiatives towards poverty alleviation.

**Development Constraints and Challenges**

Inadequate growth is the main cause of poverty in Fiji. The lack of growth is compounded by the instability of land issue, which affects a range of activities in the economy.

The key issues inhibiting poverty reduction include the low growth of the economy; a lack of political commitment; political instability (weak governance); lack of access to economic assets, markets and social services; ineffective coordination, implementation, and monitoring; lack of participation by all stakeholders vis-à-vis Government, the private sector and civil society; absence of sustainability mechanisms in programmes and projects; and lack of involvement of beneficiaries in project design, implementation, monitoring, and evaluation.

The creation of more sustainable, secure employment opportunities with better wages is the long-term mechanism for moving people out of poverty. However, at current levels of economic growth, there are restricted job opportunities and inadequate support for the poor to enable them to take greater advantage of existing opportunities. There is a need to provide an enabling environment and stimulate the active participation of the private sector, civil society organizations, communities, and development partners generating income earning opportunities.

Widening income inequality has contributed significantly to the increase in poverty in Fiji. Economic growth has tended to benefit people who have been already better off thus creating a larger rural urban disparity. Fiscal policies have not promoted income
redistribution resulting in a related problem of declining living standards of the elderly. A central challenge to be addressed is the weakening of the traditional support system, resulting in more people seeking welfare assistance, particularly the elderly.

There is a need to empower all citizens through education. There are a large number of students dropping out early from school. With limited skills and knowledge to improve their livelihoods, early school leavers make up a large number of the unemployed and subsequently contribute to the rising tide of crime and violence. There are acute shortages of infrastructure and facilities at all levels. The education system emphasizes theoretical knowledge at the expense of technical, vocational, and entrepreneurial education. School curriculum need urgent review to make them relevant and practice oriented. There is a need to provide unhindered access to compulsory universal basic education to all citizens as a bridge to the future socioeconomic transformation and establish and maintain enhanced quality and standards through relevant, competency-based curriculum and effective quality control at all levels.

One of the major drawbacks in the analysis of the nature of poverty in Fiji has been the lack of appropriate, comprehensive and timely data and analysis on which to assess the actual level of poverty, the nature of the problem, and the sound policy measures required to tackle it. Welfare services for the very poor or destitute are provided by several government agencies as well as by NGOs, but there are very few well-coordinated reporting systems.

4.1.4 Housing and Urban Development

Fiji’s housing crisis is real and pervasive: with about 200 squatter settlements of more than 387,000 people earning less than $7,000 per year, approximately 9,000 low and moderate income households will need decent, safe, affordable housing immediately. In seeking to meet these needs, the production of mixed-income housing that provides broad income diversity in neighborhoods is deemed a desirable social and economic goal.

The continuous growth of urbanization in the Fijian economy and population indicate that strong demand for housing will continue. The provisional 2007 population census results show an increase in urban household by 18.4% with approximately 61,300 total increase in population. 51% of the population is urban and that the urban growth rate is 1.7% compared with the national growth rate of 0.7%. Approximately 90% of the increased population (55,266) is in the Western and Central Division. The Suva and Nausori Urban and Peri Urban area alone has an increase in population of approximately 32,300. This poses significant challenges in terms of planning, delivery and community development.

The majority of people in Fiji satisfy their housing need in the private sector. However, with the expiry of land leases there is increasing number of people seeking housing. This is evident with the growing number of informal settlements and the growth of private rented housing sector. The level of private provision depends of course on significant Government support through:
• Capital investment in infrastructure;
• Planning and regulatory regimes which facilitate the efficient operation of the market; and
• Support to households under the fiscal and income support regimes.

Development Constraints and Challenges

There are two important issues needs to be addressed for Fiji’s housing sector. Firstly, that the key instruments to address the challenges for the future are in the areas of “planning, urban design, infrastructural investment, land management and public service delivery”. Secondly, that a greater quantity of housing must not be at the expense of quality development.

There are concerns, however, about the plan to encourage the use of land to improve rural situations and reduce urban migration. Governments have been unable to provide enough land for people to prosper, build and own houses and form sustainable communities. Sustainable housing programs must go hand in hand with income earning opportunities.

Currently, Fiji does not have an employment strategy. Having an employment creation strategy, together with the availability of more land, could help in resolving both the unemployment situation in rural areas and urban migration.

Some immediate steps are required to resolve the squatter problem, which is becoming a major obstacle to the use of prime land for development in urban areas. Most of the squatters live on the ‘vakavanua’ land, given to them some 30 to 50 years ago. Opportunity should be given to landowners to develop their land into suitable housing lots. Lack of capital to do so has been identified as a major problem. To acquire quick returns, landowners have resorted to issuing ‘vakavanua’ leases all around Fiji.

There is a critical need for the development of a consistent, comprehensive, and ongoing discussion about housing policies and issues in Fiji. Because the actions and authorities of multiple government departments and agencies explicitly and implicitly affect housing, inter-agency coordination is essential to producing and preserving affordable housing, improving supportive housing, and eliminating housing discrimination.

It is important to encourage a multicultural and pluralistic society: multiculturalism is a part of sustainable communities. Any development initiatives should look at allocating spaces for churches, mosques and temples as well as for sports and recreational activities.

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8 ‘Vakavanua settlements’ are informal settlements acquired through customary arrangement with the land owners and there is no legal basis for ownership or lease.
4.1.5 Social Justice

Social justice is a fundamental aspect of the common good. It broadly consists of two elements: justice and charity. The goal of the social justice is to ensure equality of dignity, especially of those who, through no fault of their own, are disadvantaged and destitute. It is also to ensure that everyone has the basic right to a dignified life, enjoys equality of citizenship, and that no one lacks the basic necessities of life.

The 1997 Constitution provides the legal justification and framework for the implementation of Affirmative Action Programmes designed to achieve for all groups or categories of persons who are disadvantaged effective equality of access to: (a) education and training; (b) land and housing; and (c) participation in commerce and in all levels and branches of service of the State. Consequently, the Social Justice Act of 2001 provides the legal basis for the AAP. In view of the new constitution, there is a need to retain as much of the 1997 Constitution Social Justice clauses, however, changes might be made to some aspects like the AAP. Since the implementation of this legislation in 2001, Government has allocated almost $300 million for the various disadvantaged groups targeted in the 29 affirmative action programmes under the Social Justice Act.

Each programme has specific goals and target beneficiaries, means of assistance, performance indicators and criteria for selecting members of the target group. The criteria for selection include race, gender, economic status, disability and physical location. Of the 29 Affirmative Action programmes, 17 benefit all communities, 10 benefit Fijians and Rotumans as a target group and 2 are specifically for Indians and minority communities.

The broad issue for Fiji is the articulation of an acceptable moral framework that is based on the pursuit of “equal dignity” and which will guide the development and governance of Fiji in the future. In 2006 the Fiji Human Rights Commission (FHRC) in conducting a compliance analysis of the Social Justice Act and the AAPs with relevant UN Conventions and Fiji’s constitutional requirements, concluded that both the Act and most of the AAPs were not in compliance with international laws and the Constitution.

Development Constraints and Challenges

To be just in designing and implementing the Social Justice Act and the AAPs, it is important that reliable, highly accurate and updated information on poverty and disadvantaged communities is readily available. There is a need to design AAPs that are effective, transparent and meet the needs of the genuinely disadvantaged communities.

To measure the successes or failures of the AAPs, indicators are needed for the four broad programme categories. Qualitative indicators would be much more helpful to gauge the progress achieved in these categories. It is difficult to conduct monitoring assessments if the specific indicators and objectives of the programmes are not tied to the broad categories under which each of them fell. Each programme has its own specific objectives and indicators for measuring its successes or failures, although most of them...
have no historical content to indicate where a certain programme started, its achievements so far, and suggestions for a review of the indicators.

There is a need for an improved financial monitoring and tracking system that would allow for proper accounting of funds and be subject to audit by the Office of the Auditor General. It is not clear from the 2002-03, 2004 and 2005 annual reports how the funds had been spent, who were the recipients, and whether or not the funds were utilized for the purposes for which they were disbursed. Without a good financial monitoring and tracking system, which should be an integral part of the overall monitoring structure, programme funds would be open to abuse and misappropriation.

4.1.6 Education and Training

Elementary, Primary and Secondary Education

Access to basic education is a right of all Fijians. Education, up till secondary level, is well established in Fiji with ownership and management of schools being in partnership between state and community. 98 percent of schools are managed by civil society and non-government organizations while government provides teachers and sets curriculum.

The role of education in building unity has been comprehensively discussed in the Fiji Education Commission (FIEC) report of 2000. Some of the suggestions have been used in the education system and some incorporated in Fiji’s National Curriculum Framework.

Fiji is on target with MDG 2 “to achieve universal primary education”. Fiji has attained near universal primary education, but primary school enrolment and net enrolment rates have decreased since 2000. There is concern about the growing number of drop-outs from primary school. The percentage of pupils starting Class 1 who reach Class 5 has increased from 88% in 2002 and 93% in 2006. Class 5 survival ratios stood at 95.2%, indicating that more effort needs to be made to keep students at primary school. The 2004/2005 Employment and Unemployment Survey revealed that 90% of the persons aged 5 to 14 were attending school, with the proportion a slightly higher 92% for Indo-Fijians compared to 89% for Fijians. Some 10% of this age group were not attending school with 8% for the Indo-Fijians and 11% i-Taukei. The gap widened at higher educational level, where 31% i-Taukei, 24% of Indo-Fijians and 15% for Rotumans of the 15-19 age group were found to be not at school, however an average of some 73% were at school. Though some parents cannot afford school costs, particularly in rural areas, these dropouts are of concern given the need to maximize the education potential of the workforce.

The large number of students dropping out early from school is a critical problem since it is one of the major contributing factors to the growing incidence of poverty. In turn, poverty impacts so adversely on the socio-economic development of this country. With limited skills and knowledge to improve their livelihoods, early school leavers make up a large number of the unemployed and subsequently they contribute disproportionately to the rising tide of crime and violence occurring in most urban centres.
There is a need to conduct community workshops on parental education to change the community’s perceptions about education, improve parents’ participation and support, reduce the ‘dropout’ rate and improve students’ academic achievements. The establishment of a collaborative model of education in villages and communities is an essential element of this initiative and make available community scholarship funds through better utilization of resources.

**Tertiary Education**
Under the Roadmap the government recognizes the critical importance of tertiary institutions for developing high-quality human resources, especially in an increasingly technology-driven world economy. The government also recognizes the challenges facing these institutions, challenges that include inadequate funding and facilities, curriculum that are inadequate to meet the challenges of nation building, inadequate and inappropriate staffing (especially among the lecturers).

**Development Constraints and Challenges**
Although the country has achieved near universal primary education, the dropout rate at primary level will continue to be an area of concern, particularly for Fijian students. A high dropout rate, as already stated is also apparent from Form 6 to Form 7. Many students face difficulty in affording education.

Ethnic differences are still a concern in terms of examination performance. Indigenous Fijian students lag behind other ethnic groups in major external examinations. Similar gaps are also evident between rural and urban schools. Priority spending in education is a major factor that could contribute to the differential in performance. The 2002/03 HIES showed that Indo-Fijian families spent some 116% more on average per child than Fijian families.

Access to secondary education is increasing with net enrolments standing at 71% in 2000. Enrolments have been higher for girls (74%). There is concern however, that secondary students have difficulty in getting jobs. The 2002/03 HIES showed that most of the unemployed population (77.2%) had secondary education.

The education system has failed to build/support social cohesion in schools. More emphasis has been placed on examinable subjects, sports and other extra-curricular activities. There is a superficial coverage of values in schools. People do not have an internalized sense of national identity.

**4.1.7 Health**
Health continues to be a growing and increasingly complex field of competing priorities from all perspectives – from the individuals to governments, businesses, health professionals and the health services system. A healthy and productive population is a key for sustainable economic development. Despite consuming a major portion of
governments budget (>3% of GDP and 9% of total budget), health care funding continues to be lower as compared to other countries in the region while Fiji’s population tends to be increasing every year.

Fiji’s progress towards Millennium Development Goals (MDGs) such as reduction in child mortality, maternal mortality and HIV/AIDS, have not been achieving the impacts on the health of citizens which Government intends. Fiji’s life expectancy for males and females is on a declining path (2007 population census). The performance against the three health MDGs is disappointing as compared to baseline data of 1990 and 2015 target. The current statistics show a slow progress in improving the infant and maternal mortality rates, immunization coverage and the prevalence of HIV/AIDS.

The progress towards MDGs suggests that the substantial and increased input of resources by Government is not achieving the impacts on the health of citizens which Government intends. Increasing annual budget allocations in itself is healthy and positive but if it is still below a critical level of less than 5% GDP (Fiji averages less than 3%), then may be it is not sufficient to adequately fund important interventions that would specifically address the MDG targets.

In addition to the continuing incidence of communicable diseases, there is an increasing prevalence of Non Communicable Diseases (NCDs) such as diabetes and hypertension, due to lifestyle changes, poor diet, smoking, changing patterns of physical activity, continuing malnutrition problems, particularly in school children and women. On disease conditions and status, NCD continues to be the major cause of morbidity and mortality. Controlling diabetes and cardiovascular disease remains a priority focus of the Ministry of Health (MOH). With the re-emergence of infectious diseases such as typhoid, which were thought to have been controlled, an extra burden will now be placed on the already incapacitated health system. This is termed the double burden of disease, where high rates of infectious disease and NCD co-exist.

The ability of government to increase its health sector allocations is limited by slowed national economic growth, by a history of significant under-funding and by periodic austerity measures related to political events. To increase revenues from the population of service users would represent a policy change to public sector provision and could, if not done well, have significant population health status ramifications. The introduction of realistic user-charges could result in much of the population’s inability to pay, a consequent reduced access to services and worsening health status indicators. The potential for the general population to pay health insurance premiums is similarly limited, although some employers provide health insurance schemes on a co-payment basis with their staff.

Improving public provision of information on the performance of the health system (such as waiting times for elective surgery, drug stock-outs, and selected morbidity and mortality indicators) will enhance advocacy, accountability and decision making in the health sector. This has been lacking in Fiji’s health sector with resource allocation being based on conventional budgeting system. Currently, systems for collecting and publicly
reporting such information are lacking. It is important to establish a means of data collection methods that allows timely reporting of service activity for use to provide information to source/fund national projects and to optimize individual patient care.

Poor allocation of resources is now leading Fiji’s health sector into a depilitated state with increasing cost pressure leading to long term sustainability of its financing system. There is a need to reallocate resources in response to areas with greatest burden to the economy and the only possible way is for the need to have evidence to support effective decision making. As such, the importance of National health Accounts (NHAs) is increasingly becoming important in management of resources and review of health policies.

**Development Constraints and Challenges**

Development constraints and challenges include:

- to improve efficiency and effectiveness of the use of resources in health service delivery;
- to respond to the increasing numbers of HIV/AIDS and STIs cases;
- to reverse the deteriorating rates of child mortality, infant mortality and maternal mortality;
- to reduce the incidence of Non-Communicable and life-style diseases;
- the emigration of skilled health care professionals;
- limited capacity for policy analysis and research;
- Improving physical and financial access to good-quality health services in depressed domestic and global economy.
- the increasing demand and cost for health care;
- Need to improve stewardship over policy formulation, health legislation, regulation, resource mobilization, coordination, monitoring, and evaluation.
- Need to strengthen the national health system and improve its management.
- Need to improve the availability and management of health resources (financial, human, infrastructure, and so forth).
- Reducing the disease burden attributable to priority diseases and health problems, including HIV/AIDS, and reproductive health–related illnesses.
- Increasing consumers’ awareness of their health status and poor lifestyle.
- Foster effective collaboration and partnership with all health actors, NGOs and CSOs.

4.1.8 **Gender Equality and Women in Development**

The target for MDG 3 is to eliminate gender disparity in primary and secondary education preferably by 2005 and to all levels of education no later by 2015. School enrolment data published annually by the Ministry of Education and enrolment data provided by tertiary education providers provide figures for the ratio of girls to boys. In Fiji, the sex ratio for primary in 2007 (0.92) is closely balanced and the enrolment figures reflect the overall population ratio (0.96) released by FIBOS in the 2007 Census. At
secondary and tertiary education the ratio of girls to boys has reversed; 1.06 and 1.08 respectively. The gaps between girls and boys begin to widen with girls outnumbering boys as education level increases. These differences in ratio do not continue in the employment world.

Women’s composition in the labour force has dropped from 40% in the 1996 Census to 31% in the 2004/05 EUS. Although women are 31% of those the FIBOS describes as “economically active”, 54% of all working females are unpaid household workers. The 2004/05 EUS revealed that there were an increasing number of female self employments from 13% in 1996 to 25% in 2005. Governments over the years have failed to commit to creating an enabling environment, to enable women to participate fully in the socio-economic development of the country.

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<th>Table 4.1: Comparison of men and women employed in the Economy</th>
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<td>Activity</td>
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<td>A Wages</td>
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<td>D Self Employed</td>
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<td>E Family Worker</td>
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<td>F Community Worker</td>
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<tr>
<td>G Household Worker</td>
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<td>Gender Neutral Economically Active</td>
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Females are a half (49%) of all the “workers” in society but under-represented in the workforce (table 4.1). Except for the lowly paid Family and Community Workers females in income-earning categories are now all much lower than that for Males: Wage Earners (18% v 47%), Salary Earners (8% v 13%) and Self-Employed (10% v 30%).

However, looking at females by age group 53% between 20 to 29 years of age are Salary Earners and 29% are Wage Earners (much better than the older groups). They have moved out of Self-Employed and Family Workers (table 4.2). However, there is a need to focus attention for participation of women in older age groups.

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<th>Table 4.2: Females as Percentage of Age Group</th>
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<td>Activity</td>
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<td>All</td>
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<td>Wages and Salary</td>
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Although recent indicators show little difference in the educational levels and achievements of men and women, and despite Government's commitments to gender equality, occupational discrimination and gender segregation are strong and persistent. As compared to 1982 Economically Active Females increased by 150% between 1982 (20%) and 2004 (31%), compared to 35% increase for Males, although this proportion is still considered low. While the number of households increased by more than a third, total number doing full-time household work and female household workers declined by 5%. There is a little change in males becoming household workers. Females should be encouraged to become part of the “Economically Active” persons in Fiji, moving out of full-time household work into income earning work for the household.

Studies from the 2004/05 EUS indicate that female representation in senior management and professional occupations has increased. For instance, female technicians and associate professionals increased from 28% in 1996 to 33% in 2005. However, few women own businesses, because the inheritance laws practiced by both major ethnic groups in the Fiji Islands usually exclude women from inheriting land or other fixed assets.

Women predominate among workers in the shrinking manufacturing sector. Labour costs in Fiji are interestingly competitive, but imported raw materials added to the cost of production, makes the country's products less competitive without subsidies or special terms for market entry. Women process workers cannot sustain their livelihood with low wages.

Women's higher risk of poverty and destitution is associated with labor force discrimination, increasing divorce and separation rates and problems in collecting maintenance payments from departed spouse. Women constitute the majority of beneficiaries under the Social Welfare Department's Family Assistance Scheme. Female unemployment increased slightly from 7.8% in 1996 to 8.7% in 2005, perhaps as a result of loss of jobs in the garment and further industries.

Economically Active Females work some 14 hours more per week, or 31% more on average than Economically Active Males in all categories. This is a Gender Gap that must be addressed if Females are to have the opportunity to develop themselves professionally, and enjoy leisure as men do. This requires Men- all categories- to do their fair share of household work.

These facts indicate the need for effective social safety nets for the unemployed in particular, training and investment to promote alternative livelihoods for women displaced from the manufacturing sector. New models are necessary to provide women with micro finance for self employment.

In accordance with MDG 5 for improved maternal health it is important that Government must review its efforts to promote rural family programme. The fertility rate 4:4 among rural Fijian women suggests the need for renewed efforts.
In 2004 for the first time, more women among new cases were confirmed HIV positive than men. Experts consider that the Fiji Islands may be moving towards an AIDS epidemic. A strong emphasis on gender issues is needed to reduce HIV transmission, in keeping with MDG 6.

**Development Constraints and Challenges**

Development constraints and challenges include:

- Implementation and monitoring of sectoral programmes, government policies and administrative practices and procedures have incorporated gender perspectives;
- Implementation and monitoring of the EEO policy in all workplaces, presence of occupational discrimination and gender segregation in labor markets;
- Monitoring the compliance of laws and administrative practices and procedures to CEDAW Articles;
- Maintaining effective social safety nets for the employed in particular training and investment to promote alternative livelihoods for women displaced from the manufacturing sector;
- Promoting rural women's advancement in economic activities without destroying sustainability of women's fisheries and therefore household food security;
- Continuing social impact analysis of trade agreements on impact on women's health of imported, low quality foods;
- Increasing incidence of domestic violence;
- Decreasing fertility of women especially rural Fijian women;
- Spreading of HIV/AIDS as an epidemic; and
- Collection and analysis of gender-sensitive data.

**4.1.9 Children and Youth**

Fiji’s future prosperity depends on producing children who are well prepared to take their place in tomorrow’s society. The Plans strategy therefore seeks to implement the basic education requirement to increase school enrolment and provide better schools and better-trained teachers. However, there are many factors, apart from education, that affect the development of a child and include issues such as unemployment, financial constraints, family problems, teenage pregnancy and sexual and reproductive health, child labour and prostitution.

Programmes to support children and youth directly support the Strategic Priorities of implementing affirmative action, reducing crime and alleviating poverty. In the long term, the development of children and youths as good citizens for Fiji’s future is the cornerstone of national development and supports all the priorities.

Joblessness has resulted in a rising incidence of social ills among young people. Policies will target youth empowerment and development in order to reverse the negative consequences associated with the past pattern of development.
Despite some improvements in the management of child abuse there is an urgent need for legal reform to impose severer penalties on offenders, to make the collection of evidence easier, offer additional protection to the survivor of abuse through the legislative process, provide specialized counseling services to children and their families, and to organize community awareness programmes to help change attitudes and stigma associated with child abuse.

The Ministry of Social Welfare, Women & Poverty Monitoring Unit has developed the Fiji 2009 Annual Work Plan (AWP) for Child Protection based on the 2008 AWP and which has been signed by the National Coordinating Committee on Children (NCCC) on the 21st of April 2009. The 2009 AWP outlines activities that will be undertaken by the government of Fiji, with support from UNICEF, in progressing towards the achievements of the expected outputs/outcomes (results) as stated in the Resource and Results-based Framework (RRF).

The NCCC was established in 1993 following Fiji’s ratification of the United Nations Convention of the Rights of the Child (CRC) on the 14th August 1993. The NCCC members include the following Permanent Secretaries for: Ministry of Social Welfare, Women & poverty Monitoring; Ministry of Justice, Electoral Reform & Anti Corruption; Ministry for Education, National Heritage, Culture & Arts, Youth & Sports; Ministry of Indigenous Affairs; Ministry for Defense, National Security, Disaster Management & Immigration; and Ministry for Provincial Development & Multi Ethnic Affairs.

The National Youth Service Scheme (NYSS) was implemented in 2008 with a budget allocation of $1 million. The NYSS targets clients of around 2000 individuals per annum and in 2008, a total of 5955 clients were registered an indication of the high demand for youth employment opportunities. A total of 563 employments were created from 120 employer’s nation wide as work attachment, volunteers and full time paid employers. For 2009, a total of 1000 clients have been enrolled.

Development Constraints and Challenges

Development constraints and challenges include:

- Discrimination of children with disabilities
- Insufficient funding for all the implementing agencies and development projects;
- Coordination of implementation of programmes across sectors;
- Adoption of the Annual Work Programme for Child Protection;
- Establishment of a Resource and Results-based Framework for monitoring of the status of Children’s Welfare; and
- Prioritizing legislative review and reform for children.

4.1.10 Sports Development

Sport promotes nation-building and community development by bringing people of all communities together. It moulds better citizens through the inculcation of important values such as goodwill, tolerance, understanding, teamwork and healthy living.
Worldwide, sporting activities represent a major source of earnings and employment. Huge profits are generated in many countries through ticket sales; sponsorship deals; the sale of advertising, radio, and television rights; product endorsements; and public and movie appearances by sports stars. Athletes’ earnings are reinvested in the economy, creating employment. Over the years, Fiji has enjoyed the benefits of professional sports in certain sports only thus preventing sports from becoming a job creating industry in a holistic manner.

The policy direction in sports management is to change the face of sports administration and the incentive structure. Reforms in the form of removing obstacles to entering and participation, will attract more resources into the sector, raise the employment generation capacity of the sector, and encourage athletes and sponsors to reap the fruits of their investment.

Most sporting federations need to work towards a more structured approach to sport development. Some sports have greater potential to attract financing and move towards professionalism. Both rugby and soccer have the ability to receive significant funding from international parent bodies and corporate sponsorship. To identify and develop athletes who could excel internationally, there is a need to develop a National Institute of Sport or an Academy.

There are two aspects of Sports Development programmes. It includes the disbursements of funds to specific programmes under general categories such as Team Fiji preparation for regional and international competition, short-term experts, etc. The other aspect is the community based rural sports field development, sports equipment donations and sports outreach programmes. Incentives such as tax rebates are encouraged to invite sponsors for sports development.

**Development Constraints and Challenges**

Constraints to further development of sports include:

- the lack of sporting facilities, especially in rural areas,
- the low funding for sport and need to promote corporate sponsorship; and
- the need to move to a more commercial approach, especially in professional sports.

**4.1.11 Environmental Sustainability**

“Ensuring environmental sustainability” is the seventh MDG, which provides a framework for integrating the principles of Sustainable Development into national policies, thus ensuring availability of safe drinking water, improving sanitation, and reducing other social ills such as poverty and unemployment.

Achieving sustainable development, while overcoming environmental challenges such as deforestation, land degradation, logging of watersheds, over-exploitation of terrestrial and aquatic biological resources, improper waste management and pollution control, impact
of climate change, and the attitude of people in terms of the unsustainable use of their resources, is a central challenge of this plan.

Increasing population, urbanization, industrial, agricultural and other economic development have placed increasing pressure on coastal zones leading to loss of habitat and affecting ecological processes. This is a result of coastal development, pollution, increased water demand from freshwater lenses, over exploitation of resources and other related issues The absence of consistent monitoring of development within coastal zone development makes it difficult to assess the extent and seriousness of damage and degradation in coastal zones of Fiji.

The discharge of untreated or inadequately treated wastewater from the industrial and agricultural sectors, and increased sewage discharge causes harmful effects to the environment and to human health. The impacts of which result in changes to the ecosystems, reduction in economic value of resources, aesthetic damage, and poses human health risks. Contaminants of concern that are present in wastewater include pathogens (micro-organisms), nutrients, heavy metals, hazardous chemicals, suspended solids, and oil and grease.

The improper disposal and treatment of solid waste is one of the gravest environmental problems faced in Fiji. The problem is most acute in fast growing urban centres and other highly populated areas and is beginning to be a major concern for the tourism industry. This concern led to the organization of annual Clean Up Fiji Campaigns, which has run for 13 years and is well supported by the business community.

The generation of waste for disposal has been steadily increasing and is likely to continue to increase with the growth of urban centers and an increasing middle class population which is driving the rise in demand for imported goods. The composition of waste has also changed and now non-biodegradable account for a greater proportion of waste.

Waste on land are disposed off in rubbish dumps, with the first landfill established in Naboro about 5 years ago to cater for waste from Navua, Lami and the greater Suva areas. The Naboro Landfill was designed to offer 40-50 years of clean, safe and sanitary waste disposal and all waste coming into this site was to be assessed for its suitability for disposal, and special treatment administered to it wherever necessary. The operation of the facility was also designed to allow for revenue generation to assist in the running of the landfill. Approximately 60,000 tons of waste is dumped at the landfill annually. Implementation of the National Solid Waste Management Strategy 2008–2010, launched in June 2008, needs to be prioritized. A key component of the Strategy is a public awareness campaign and creating partnerships amongst all stakeholders including municipal councils, business sector and community.

The Department of Environment, in partnership with other Government Ministries and Departments, Institutions NGOs and through donor funding, has implemented various environment programmes throughout Fiji related to biodiversity conservation, sustainable biological resource use, climate change, waste and pollution, development control and

The Environmental Management Act (EMA) 2005 which provides the sustainable development of land and water resource management sets out the following:

- The setting up of a National Environment Council (NEC) to coordinate the formulation of environment related policies and strategies;
- The requirement for Environment Impact Assessments to be binding on all parties, including Government;
- Permits to discharge waste and pollutants into the environment;
- National Resource Inventories, National Resource Management Plan, National State of the Environment Report, and the National Environment Strategy; and
- Declarations, enforcement orders, stop work notices to ensure environmental compliance according to the EMA requirements.

The Department of Environment has been implementing the Ozone Depleting Substances Act 1998 and its Regulations (2000). With this legislation, DoE regulates the import, export, sale, storage and use of ozone depleting substances (ODS), such as refrigerators and air-conditioning gases, to give effect to Fiji’s obligation under the Vienna Convention for the protection of the Ozone layer and the Montreal Protocol on substances that deplete the Ozone layer. Government had endorsed Fiji’s methyl bromide phase out action plan, one of the ozone depleting chemicals, and the management plan for total phasing out of methyl bromide and chlorofluorocarbon (CFC) by 2010.

**Development Constraints and Challenges**

The major environmental problems include: deforestation, land degradation, air and water pollution, inappropriate refuse disposal, climate change and sea-level rise, outdated legislation and its inadequate enforcement, and limited public awareness. It is hoped that the implementation of the EMA and related programmes, and allocation of adequate resources, will assist in addressing some of these issues.

The challenges that will be faced while implementing EMA include the absence of accredited laboratories in the country. Currently only one laboratory has been accredited, that of the Institute of Applied Sciences of USP, and the accreditation is only for a limited range of parameters. There is an urgent need to address this gap in country to avoid high costs of foreign laboratories. Accredited laboratories will enable better environmental monitoring and enforcement.
4.1.12 Culture and Heritage

Fiji is a multi-racial, multi-cultural country with a multiplicity of languages, religions and ways of living and the recognition and acceptance of these cultures create harmony and unity amongst all races. Culture refers to the diverse manifestation of human intellectual and artistic creativity that is both culture and heritage and is the living form of cultural expression. Integral to the development of the nation is the conservation, development and promotion of the indigenous identity.

There has been growing concern from Government regarding cultural revitalization. This is reflected through continued government support towards cultural heritage activities such as heritage site management, artistic promotion activities, developing creative industries, preservation and protection of artifacts and archaeological documentation, safeguarding and promotion of language. Historic conservation and cultural activities maintain the distinct character of communities. Cultural & natural heritage sites and traditional arts should be conserved and protected. Tourism, as the fastest growing industry in the world, relies to a large extent on cultural heritage for its sustainability. Due emphasis should be placed towards the listing of Fiji’s cultural and natural heritage sites in the world heritage listing and the establishment of proper heritage management system & the necessary infrastructure to ensure benefits flow to the local economy and the sustainability of Tourism based activities.

Culture has the potential to address the problems of unemployment, poverty & crime, faced by our youth today. The challenge is to develop and engage in both formal education curricula and non-formal activities for young people to provide a catalyst and an opportunity for this in instilling a sense of values and cultural identity. The association between gender, culture and environment needs consideration. The challenge is to develop an agenda that recognizes women as significant actors in development and as bearers and signifiers of their living cultural heritage who conserve and manage the biological diversity of the landscape.

Development Constraints and Challenges

Development constraints and challenges include:
- Strengthened partnership with resource owners;
- Financial support; and HRD support for the sector.
- Unsustainable tourism, mining, and forestry developments.

Development Rationale

The Strategy recognizes the need to preserve and manage Fiji’s cultural and natural heritage, increase cultural and cross cultural understanding, promote creativity at all levels of society, promote conservation and resource development, and develop creative performing arts and visual arts. Further, it is also recognized in the strategies that culture in its all embracing approach, demands effective cooperation and partnership between cultural heritage agencies and between them and the community, and other government agencies. This is essential to the effective achievement of the outcomes intended by Government.
4.1.13 Disaster Risk Reduction and Disaster Management

Fiji is located in one of the most vulnerable and highly at risk location to disasters in the world. About one or two cyclones hits the country every year and floods and flash floods because of climate change has become a common occurrence every now and again. Over the last decade, damage caused by tropical cyclones alone has been estimated at more than $500 million and more than 100 lives have been lost. Tropical Cyclone Ami, which struck the northern and eastern regions in 2003, caused social and economic losses of more than $100 million, whilst the floods in April 2004 caused damage estimated at more than $30 million.

A risk management approach underpins Government efforts in disaster risk reduction, with a strong emphasis on greater community resilience and self-reliance. The integration of risk management into the development planning decision-making and budgetary processes using the Comprehensive Hazard and Risk Management (CHARM) approach will make a significant contribution towards disaster and risk reduction. Essentially this will place strong emphasis in the analysis and evaluation of hazards, vulnerabilities and elements at risk and ensuring that adequate measures are taken to lessen the risks and the vulnerabilities in all these development processes. However, the heavy dependence on Government handouts after recent disasters, coupled with high rehabilitation costs, has disrupted planned capital expenditure programmes. To address this problem, Government established a National Disaster Relief and Rehabilitation Fund, with a $2.6 million budget in 2004. The 2007 revised budget increased this provision to $8 million. A National Disaster Committee was established in the Prime Minister’s Office, to oversee the new National Disaster Relief and Rehabilitation Fund and to assist the NDMO to deal with disasters.

The Reviews of the Natural Disaster Management Act 1998 and the 1995 National Disaster Management Plan have been completed and the recommended changes are in draft awaiting the Attorney Generals Offices sanction and Cabinet approval. The principal recommendations are to include human caused hazards including technological hazards in the Act and Plan and to institute qualitative improvements in legislation, regulations, organization, operating procedures, training and readiness. The reviews stressed that an effective crisis and emergency management system under national leadership is essential. The system would adequately facilitate all aspects of Disaster Management which has both Disaster Risk Reduction and Disaster Management. The focus on community capacity building is promoting self reliance, reducing dependency and to achieving community resilience and sustainable development.

Work has commenced on the development of a National Action Plan to adopt the Regional Framework.

Partnership with SOPAC under EU funding resulted in the development of the Navua Flood Early Warning System which has been operational since October 2007. Similar work is scheduled for Nadi and Ba rivers under French funding and the upgrading of the
Rewa river system. An additional 9 HF Radios were purchased through Aus Aid funding and were installed between 2007 and early 2008. The radios would enhance communications and operational capacity of Emergency Operational Centres and management of overall disaster management operations.

Development Constraints and Challenges
There is a need to fast track development of a Response Plans and Early Warning Systems for floods, earthquakes and tsunamis, at all levels in order to provide the people with reasonable safety measures to be able to deal with these events confidently and to facilitate a more responsive and timely Government intervention.

The development of an all hazard, integrated, people focused early warning system.

Mainstreaming disaster risk reduction into other sectoral development plans, policies and programmes is crucial for sustainable development and community resilience.

The Fiji Red Cross works closely with the divisional commissioners and provincial administrators/district officers and provides invaluable support during emergency relief operations. There is a need to continue to strengthen relationships with Disaster Management partners, including the Red Cross, civil society, as well as the FRANZ group, the EU, ADB, World Bank, UNDP, NZAID, AusAID and SOPAC. We need to actively engage the community in all aspects of disaster risk management.

Development Rationale
A principal recommendation in the review of the 1998 Natural Disaster Management Act and the 1995 National Disaster Management Plan is to focus on community capacity building in order to reduce dependency and to achieve community resilience and sustainable development.

The Plan recognizes the need to maintain effective planning in order to reduce disaster impact, improve community capacity in dealing with disasters and risks, and to conduct analysis and evaluation of hazards, vulnerabilities and risks and invest in risk reduction projects and activities. The shift towards a comprehensive and an integrated approach towards risk reduction on hazards are reflected in the policy objectives and strategies under disaster risk reduction. Further, it is also recognized in the strategies that effective cooperation and partnership between Civil Society Organizations, the Government and the community are essential to the achievement of the outcomes intended by Government.

4.1.14 Rural and Outer Island Development
The rural areas of Viti Levu, and outer islands, including Vanua Levu, have remained relatively undeveloped with poor livelihood opportunities due to isolation and lack of access to services and markets. Their relative isolation excludes them from the mainstream of Fiji’s economic and social development, resulting in large movements of
people, especially those entering the economically active years, seeking opportunities in urban areas.

The proportion of the population living in rural areas has been decreasing from 62% in 1986, to 53% in 1996, to 49%, according to the 2007 Census Report. Urban development measures are necessary to relieve the problems created by the mass relocation of people to the urban centers such as squatter settlements, but the underlying problem is the uneven distribution of opportunities between the rural and urban areas.

This requires a holistic approach through the provision of basic infrastructure, improve mobility and market access through regular and reliable shipping services, and complementary livelihood activities. Government infrastructure spending on the transport sector has traditionally been focused on land transport, with only about 1.4% spent annually on sea and shipping related activities. Expenditure on shipping is limited to maintenance with most of this small budget shared between Suva, Lautoka, Savusavu and Levuka – the international ports of entry – rather than to develop inter-island shipping.

The outer islands do not have substantial markets on their own, the main market for most products being Suva or Viti Levu. However the only means to access this market is by sea, leading to un-satisfied demands and needs for better shipping services and maritime infrastructure. A review of the Shipping Franchise Scheme is planned with Government keen to improve services to the outer islands, in particular, finding a workable solution to service ‘uneconomical’ routes.

Massive infrastructure work is planned for Vanua Levu, such as the upgrading of Savusavu port and upgrading of major connecting highways. To complement these commitments, Government has declared Vanua Levu, Rotuma, Kadavu, Taveuni, Lomaiviti, Kioa, Rabi and Lau as tax free regions effective from 1st January 2009. The incentives for companies that set up in these regions have been offered to encourage investment, support development, create employment and improve livelihood opportunities in the North and Maritime islands.

With the aim of improving the delivery of services to rural areas, a new streamlined divisional development structure, involving the establishment of Divisional Development Boards (DDB), will also being put in place. The new structure should enable better coordination of Governments development programmes and improve implementation of projects in the various divisions. The DDBs will be at the forefront of revitalizing economic activity in the rural and outer islands and facilitate the coordination of development efforts of Government at the divisional level.

The livelihood activities currently funded by Government through the annual budget, such as the Northern Division Programme (NDP), would reap greater rewards through such a holistic approach.

Since its launch in November 2007 to the end of 2008, the NDP project office received a total of 1322 applications, valued at over $5.1million. At the end of 2008, 996
applications had been processed with the remaining 326 being processed in the first quarter of 2009. From the 996 applications processed, 916 have been assessed and approved for grants to the value of $2.34 million. However, only 361 (or 39.4%) received funding in 2008 valued at $1.08 million. The majority of these recipients, 226 (or 63%), sought counterpart funding (or debt equity) from FDB, 51 (or 14%) from Micro Finance Co-op Labasa, 35 (or 10%) from Micro Finance Labasa, 15 (or 4%) from Commercial Banks, and 34 (or 9%) from Sugar Cane Growers Fund. These other lenders disbursed approximately $1.125 million.

In 2008 the majority of these projects (82%) were classified as micro projects, with annual turnover less than $30,000. Agriculture projects, particularly dalo and yaqona farming, were the main recipients of the equity grants. Other projects include the purchase of bullocks (working animals) for cane farmers, outboard engines and fiberglass boats for fishermen, and breeding animals for livestock farmers (piggery, poultry, goats, beef).

**Development Constraints and Challenges**

The major development challenges for rural development are:

- lack of basic infrastructure such as roads, ports and jetties, access to electricity and telecommunication, reliable water supply;
- Lack of mobility and access to markets due to irregular shipping services;
- Lack of coordination of development initiatives of Government and donors;
- Lack of participation of community in identifying and prioritizing development needs; and
- Reduction in the economically active population present in the rural and outer islands.
## 4.2 Policy Objectives, Strategies and Key Performance Indicators

### 4.2.1 Building National Identity and Social Cohesion

**Goal:** A peaceful, non-racial, inclusive and united society

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<tr>
<th>Policy Objectives</th>
<th>Strategies</th>
<th>Key Performance Indicators</th>
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<tbody>
<tr>
<td>A common National Identity for all Fiji citizens</td>
<td>A new Constitution with Fiji as a name of the nation Public awareness and consultations to promote national identity. National anthem &amp; flag ceremony to be observed in schools and important national/state functions.</td>
<td>Adoption of a common name Fijian by 2014.</td>
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<tr>
<td>Strengthen the role of education, religion, culture and sports in promoting national unity</td>
<td>Include the teaching of the 2 main vernacular languages in education curriculum Encourage and promote religious freedom and understanding in schools &amp; society Equipping the media, sports organization to promote national identity/unity Education curriculum to include moral, values education, multi-culture, and comparative religious studies</td>
<td>2 vernacular languages taught by 2013. Multi-cultural education in Fiji National Curriculum Framework.</td>
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### 4.2.2 Poverty Alleviation

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<tr>
<td>All categories of the poor are able to meet their basic needs.</td>
<td>• Reach consensus on the definition of the poor and their needs and ensure the compilation and timely analysis of statistics on poverty, including HIES and to be conducted on a five-yearly basis.</td>
<td>• Proportion of population below the HIES defined basic needs poverty line reduced from 35% to less than 15% by 2020</td>
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<td>• Focused surveys and research should be conducted at micro level (households) to show the impact on the poor of any structural adjustments, so that remedial actions can be identified and implemented.</td>
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<td>• Review and develop poverty targeted policies and implement appropriate programmes in housing, national insurance and social security and National Integrated Poverty Eradication Framework.</td>
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<td>• Empower communities through liberation education programmes for self-sufficiency, self-reliance and self esteem.</td>
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<td>• Introduce a national minimum wage and at the same time enhance national productivity.</td>
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<td>• Establish community mechanisms for feedback on public services.</td>
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<td>• Disseminate information to the nation about anti-poverty programmes.</td>
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<td>• Formalize and strengthen Government and civil society partnership in alleviating poverty, including traditional support mechanisms for the disadvantaged and support to the elderly through CSO.</td>
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<td></td>
<td>• To strengthen government pro poor legislation policies and programmes to target citizens through municipalities, provincial councils,</td>
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### Goal: Reducing poverty to a negligible level by 2015

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<td>and advisory councils in both rural and urban areas.</td>
<td>children by 2010</td>
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<td>• Strengthened institutions and programmes that support children of the poorest of the poor</td>
<td>Increase average economic growth rate by at least 2 percent a year.</td>
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<td>• To ensure affirmative action programmes are needs-based and to align them to a shared social justice preamble.</td>
<td>Increase the number of people in paid employment from 298,974 by 3% per year or the rate of GDP growth, whichever the highest.</td>
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<td>Increase immunization coverage to 100 percent by 2010.</td>
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<td>Increase the percentage of the population with access to safe drinking water to at least 75 percent by 2011.</td>
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<td>Poverty Gap reduced to less that 3% of GDP</td>
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<td>Access to education to all children by 2011</td>
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<td>2008/09 HIES report analyzed by 2010</td>
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<td></td>
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<td>2007 Census report analysed by 2010</td>
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<td>Phased implementation of the national minimum wage commencing 2009 with full implementation by 2012</td>
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<td>Established partnership agreement with NGOs and CSOs by 2010</td>
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4.2.3  Housing and Urban Development

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<tr>
<td>To facilitate for accessible, decent and affordable housing for all citizens with a particular focus on low income groups and the poor.</td>
<td>• Facilitate for the strengthening of the social housing programmes of various implementing agencies eg Rotahomes and Habitat for Humanity. • Assist Government’s implementing agencies i.e. PRB, HART and HA towards the effective execution of their social responsibilities. • Facilitate for accessible and affordable mortgage financing for both rural and urban communities. • Upscaling of the Ministry’s Squatter Settlement Upgrading programme towards the regularization of existing squatter settlements and completion. • Facilitate for the graduation of clients from transitional housing eg rental accommodation towards homeownership. • Strengthen existing relationships and facilitate for increased public, private and community partnerships in the delivery of low cost housing. • Facilitate for a more consultative and participatory approach in the provision of housing • Implementation of Urban Policy Action Plan (UPAP) and Urban Growth Management Plan (UGMP). • Responsive institutional regulatory and policy frameworks for management of urban development.</td>
<td>• Approximately 500 families/annum to benefit from the current social housing programmes. • Production of approximately 1,000 land lots or housing units/annum from 2010 onwards for middle to low income earners. • C/E Division programme increased to an average of 3 projects running simultaneously by 2010 onwards. • Progress made towards increased occupation of legitimate housing. • Urbanization rate constrained to the current 2% or less. • Revised legal framework in place to improve the performance of municipals councils, Ministry of Local Government and all stakeholders in facilitating urban development to enhance economic, social and environmental activities. • Establish Urban Governance Index by 2008 and monitor improved local government performance thereafter. • Fiji Accounting Standards and accrual accounting complied with by all local government units and audited accounts produced as required by law by</td>
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<td>Policy Objectives</td>
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<td>• Legislative reviews and preparation and enforcement of relevant regulations</td>
<td>• Effective and efficient urban land market with adequate supply of affordable fully serviced urban land.</td>
<td>2008.</td>
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<td>• Expanded capacity of local and central government in meeting mandates and stakeholder needs.</td>
<td>• Seven Public Private Partnership projects by 2009.</td>
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<td>• Local authority accounts on accrual basis and in line with Fiji accounting standards.</td>
<td>• Make it easier for developers to buy land on which to build affordable housing.</td>
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<td>• Improved urban infrastructure and services including affordable land supply.</td>
<td>• Cut the cost of building houses by encouraging the use of local building materials.</td>
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<td>• Implementation of Public Private Partnership policy at local government level.</td>
<td>• Train a new generation of architects in designing low-cost housing.</td>
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<td>• Enable construction companies and local and government statutory organizations to assume responsibility for providing low-cost housing.</td>
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<td>• Repeal of ALTA legislation by 2010</td>
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<td>• Not less than 1500 recipients of family assistance graduate from assistance programme through income generating projects</td>
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<td>• At least 10% of HART tenants graduate to higher income houses</td>
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<td>• No new squatter settlements from 2010</td>
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<td>• At least one mixed income housing scheme developed from 2010</td>
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<td>• Settlements on Vakavanua land reduced by 10% annually</td>
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### 4.2.4 Social Justice

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</table>
| All ethnic groups enjoy an improved quality of life and standard of living. | - Improve education and training for all ethnic groups and build capacity for all leaders.  
                           - Mid-term review to improve the effectiveness of the Social Justice and Affirmative Action programme.  
                           - Harmonization of existing acts, including the Finance Act, with the Social Justice Act. | - Pass rates in FSLC improved from 57% to 80% and in FSFE from 68% to 85%.  
                           - Recovery in student loan scheme increased from 1.5% to 50%.  
                           - A draft social justice preamble statement for a revised Act by 2010 |
| People with disabilities enjoy greater access to an inclusive, barrier free and rights based society. | - Improve the provision of and policies for education and vocational training services which meet the needs of people with disabilities.  
                           - Implement the National 5 Year Plan of Action on Disabilities.  
                           - Provision of incentives to employers to employ people with disabilities.  
                           - A policy for persons with disabilities developed and implemented, including regulations to require appropriate access to all public buildings and places. | - Enrolment in regular and special schools increased from 1,068 in 2004 to 2,000 in 2011.  
                           - Trained special education teachers with diploma increased from 9 to 20.  
                           - Increased number of persons with disabilities in paid employment from 50 to 100. |
### 4.2.5 Education and Training

**Goal: Educating the nation for peace and prosperity**

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<tbody>
<tr>
<td><strong>Making Fiji a Knowledge-based society</strong></td>
<td>• Establish a modular system of education</td>
<td>• Net enrolment rates for secondary schools rise from 77% to 90% of the cohorts from class 1 by 2010.</td>
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<td></td>
<td>• Establish a coherent national tertiary education system</td>
<td>• Proportion of pupils who start class 1 who reach class 5 to be not less than 95% (MDG).</td>
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<td>• Curriculum framework developed to enhance spiritual, intellectual, social and physical development and strengthen instruction in Fijian and Hindi as well as English.</td>
<td>• Preschool enrolment in rural schools increase from 16% in 2006 to 46% by 2010.</td>
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<td>• Improvement in the numbers and quality of competent and motivated teachers and reduction of the pupil: teacher ratios.</td>
<td>• Preschool enrolment in rural schools increases by 10% each year from 16% in 2006.</td>
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<td>• Increased use of standards improvement measurement in schools.</td>
<td>• Proportion of students successfully completing TVET courses not less than 90% to meet current and future demand.</td>
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<td></td>
<td>• Enhanced rural education programme by establishing appropriate infrastructure, building standards, review of school performance and piloting distance education programme.</td>
<td>• Disparities in passes in FSLC and FSFE are at least reduced from: (i) 28% to 15% between Fijians and non-Fijians; (ii) 24% to 15% between rural and urban students; and (iii) 3% to 1% between male and female students.</td>
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<td>• Strengthened partnership between government, communities, donors, municipal councils, school management committees, developers and parents.</td>
<td>• In-service teacher training increased by 10% annually</td>
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<td>• Strength and</td>
<td>• All schools to emphasise study of various languages by 2012</td>
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<td>• Net enrolment rates for secondary schools rise from 77% to 90% of the cohorts from class 1 by 2010.</td>
<td>• All school names denoting racial affiliation removed by 2012</td>
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<td></td>
<td>• Proportion of pupils who start class 1 who reach class 5 to be not less than 95% (MDG).</td>
<td>• Compulsory teaching and learning of Fijian language and culture in all schools by 2012</td>
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<td>• Preschool enrolment in rural schools increases by 10% each year from 16% in 2006.</td>
<td>• All schools to hold a flag ceremony at least once a week</td>
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<td>• Proportion of students successfully completing TVET courses not less than 90% to meet current and future demand.</td>
<td>• Amalgamation of teacher unions from 2 to 1 by 2012</td>
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<td>• Disparities in passes in FSLC and FSFE are at least reduced from: (i) 28% to 15% between Fijians and non-Fijians; (ii) 24% to 15% between rural and urban students; and (iii) 3% to 1% between male and female students.</td>
<td>• Net enrolment rates for secondary schools rise from 77% to 90% of the cohorts from class 1 by 2010.</td>
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<td>• In-service teacher training increased by 10% annually</td>
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### Goal: Educating the nation for peace and prosperity

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<td></td>
<td>expanded Technical and Vocational Educational and Training (TVET).</td>
<td>• Preschool enrolment in rural schools increase from 16% in 2006 to 46% by 2010</td>
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<td>• Effective and efficient allocation of subsidies to tertiary institutions.</td>
<td>• Proportion of students successfully completing TVET courses not less than 90% to meet current and future demand.</td>
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<td></td>
<td>• Ensure retention of good quality teachers.</td>
<td>• Disparities in passes in FSLC and FSFE are at least reduced from: (i) 28% to 15% between Fijians and non-Fijians; (ii) 24% to 15% between rural and urban students; and (iii) 3% to 1% between male and female students</td>
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<td>• Conduct tracer study to know the fate of school leavers as school-dropouts and qualified graduates in the labour market or in the tertiary institution.</td>
<td>• In-service teacher training increased by 10% annually</td>
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<td>• Review the Affirmative Action policies.</td>
<td>• All schools to emphasise study of various languages by 2012</td>
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<td>• Community awareness campaigns on the importance of education in economic development.</td>
<td>• All school names denoting racial affiliation removed by 2012</td>
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<td>• Better training in financial management, record keeping and monitoring.</td>
<td>• Compulsory teaching and learning of Fijian language and culture in all schools by 2012</td>
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<td>• All schools to hold a flag ceremony at least once a week</td>
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### 4.2.6 Health

**Goal:** Quality, affordable and efficient health services for all

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| Communities are served by adequate primary and preventive health services, thereby protecting, promoting and supporting their well being. | • Strengthen and implement integrated programme on maternal and child health, Expanded Programme on Immunization, Integrated Management of Childhood Illnesses and Reproductive Health.  
• Implement the safe motherhood programme.  
• Strengthen reproductive programme.  
• Implement the STI/HIV/AIDS Strategic Plan 2001-2012.  
• Implement the Non Communicable Diseases Strategic Plan 2005-2008.  
• Maintain appropriate levels of health care professionals and ensure high standards of health care. | • Child mortality rate reduced from 26 to 20 per 1000 live births (MDG).  
• Percentage of one year old immunized against measles increased from 68% to 95%.  
• Maternal mortality ratio reduced from 50 to 20 per 100,000 live births.  
• HIV/AIDS prevalence among 15-24 year-old pregnant women reduced from 0.04 to 0.03 (MDG).  
• Prevalence of diabetes reduced from 16% to 14%.  
• Contraceptive prevalence rate amongst population of child bearing age increased from 46% to 56% (MDG).  
• Increased Fiji resident medical graduates from FSMed from 40 to 50 per year.  
• Increase annual budgetary allocation to the health sector by 0.5% of the GDP annually. |
| Communities have access to effective, efficient and quality clinical health care and rehabilitation services | • Balanced mix of public and private financing for priority health programs.  
• Identify and appropriately equip the health centers in Fiji that are in dire need for more resources particularly, additional medical expertise and drugs  
• Improved level of equity, efficiency and effectiveness of health services.  
• Financial resources shifted towards cost-effective health programmes.  
• Implementation of a Social Health Insurance Scheme  
• New fees and charges incorporated in the revised Hospital and Dispensary Act  
• Establish a Health Policy Commission |
| --- | --- |
| • Participation of private and health care providers increased from 2 to 10.  
• Doctors per 100,000 population increased from 36 to 42.  
• Elimination of stock outs of drugs from present 100 items per month.  
• Average length of stay for in-patient treatment reduced from 5 to 3 days.  
• Outsourcing non technical activities such as laundry, kitchen and security by end of 2010.  
• Health expenditure increased from the current 2.92% to at least 5% of GDP by 2013  
• Outsourcing non technical activities such as laundry, kitchen and security by end of 2010.  
• Hospital Boards established by 2010  
• Child mortality rate reduced from 26 to 20 per 1000 live births (MDG).  
• Percentage of one year old immunized against measles increased from 68% to 95%.  
• Maternal mortality ratio reduced from 50 to 20 per 100,000 live births.  
• HIV/AIDS prevalence among 15-24 year-old pregnant women reduced from 0.04 to 0.03 (MDG).  
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• Increased Fiji resident medical graduates from FSM from 40 to 50 per year.  
• Increase annual budgetary allocation to the health sector by 0.5% of the GDP annually.  
• Participation of private and health care providers increased from 2 to 10.  
• Doctors per 100,000 population increased from 36 to 42.  
• Elimination of stock outs of drugs from present 100 items per month.  
• Average length of stay for in-patient treatment reduced from 5 to 3 days.  |
4.2.7 Gender Equality and Women Development

**Goal:** Achievement of Gender Equality and Empowerment of Women

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| Achievement of Gender Equality and Empowerment of Women through full participation in business and decision-making process through entrepreneurial support in non-formal and formal sector and decision making processes. | • Laws in relation to UN CEDAW (articles 1-13) reviewed, implemented and monitored; gender mainstreaming institutions strengthened; a National Women’s Plan of Action implemented, Domestic Violence Bill enacted, awareness training on the Family Law Act, and ensure appropriate sentencing penalties, including counseling, for violent crimes, against women and children.  
• Increase ability of women and their access to income generating activities including SME. Development (WOSED to be reviewed), targeted programmes for women in agriculture reform and equal training opportunities at all levels in Government.  
• Empower women, particularly rural women, through training on leadership, awareness of human and indigenous rights issues, health and quality of life through Partnership, Networking and Coordination with women groups and increased collaboration and partnership with NGOs.  
• Mainstream gender perspectives in all ministries Strategic plans, Corporate | • Share of women in wage employment in the non-agricultural sector increased from 35.9% to 37.9% by 2011 (MDG).  
• Combined primary and secondary girls: boys ratio of 1:1 (MDG).  
• The proportion of female school principals, vice and assistant principals to be not less than 25% by 2011.  
• The proportion of female CEOs in Government to be at least 20% by 2011.  
• At least one woman in each Government board, committee, tribunal, council, and commission.  
• Proportion of seats held by women in national parliament and municipal elections to be not less than 20% (MDG).  
• Number of women supported by micro-finance increased from 5,100 in 2006 to not less than 19,500 by 2010.  
• Cases of domestic violence recorded by police to be monitored and analyzed.  
• Availability of Sex-Disaggregated data.  
• Maintain the 50% parity of young females  
• Full female parity (50%) in the top three occupation group in older age group  
• Percentage of Females who are considered “Economically Active” to rise from the 31% in |
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| plans and Business plans | • Strengthen women’s groups to increase awareness in the role that women play in societies.  
• conducting of gender sensitization workshops at national and district (including village) level  
• mobilizing and networking with more men and young boys organizations to work as gender advocates  
• increased partnerships with women’s groups at community level, non government organisations and civil society organisations to conduct empowerment programmes for women  
• increased partnerships with research institutions such as the academia to provide evidence based research and results to make informed policy decisions  
• support local and regional organizations in engaging with women’s rights CSO’s and indigenous women’s groups to advocate and advance gender equality initiatives  
• adoption of a central data & information management information system to reflect gender statistics and indicators disaggregated by ethnicity, age, disability, and employment status and other relevant status. | 2004-05 to 37.9% by 2011  
• Household work for economically active females reduced from 14 hours per week to less than 5 hours by 2011.  
• Improve average paid work for Economically Active women as compared to men from 17% to less than 10% by 2011  
• Combined primary and secondary girls: boy’s ratio of 1:1 (MDG).  
• The proportion of female school principals, vice and assistant principals to be not less than 25% by 2011.  
• The proportion of female CEOs in Government to be at least 20% by 2011.  
• At least one woman in each Government board, committee, tribunal, council, and commission.  
• Effective rate of unemployment reduced from 35% to less that 25% by 2012  
• Number of women supported by micro-finance increased from 5,100 in 2006 to not less than 19,500 by 2010.  
• Cases of domestic violence recorded by police to be monitored and analyzed.  
• Availability of Sex-Disaggregated data. |
## 4.2.8 Children and Youth

### Goal: Protection and development of Children and Youth

<table>
<thead>
<tr>
<th>Policy Objective</th>
<th>Strategies</th>
<th>Key Performance Indicators</th>
</tr>
</thead>
</table>
| Children and young people enjoy greater protection and development. | • Review, implement and monitor legislation with the principles and provisions of the Convention on the Rights of the Child (CRC) and other relevant international instruments.  
• Promotion of children and youth issues and their increased participation in decision-making processes, at all levels.  
• Promote a protective environment for children and combat all forms of child abuse and pornography in partnership with community and faith based organizations and NGOs.  
• Create greater awareness amongst parents with parenting skills and family counseling services, children and youth on sexual, drug and substance abuse, suicide and infanticide, reproductive health education and family life issues.  
• Increase number of youths trained for livelihood activities and lifelong skills and values to be responsible citizens.  
• Support the establishment of youth small & micro-enterprise projects in rural and urban centers.  
• To re-structure all youth development programmes | • Offences against children to be recorded monitored and analyzed.  
• Young people benefiting from Placement Services Work Experience Programmes increased from 100 to 120 annually.  
• Teenage pregnancy reduced from 16% to 8% by 2011  
• Number of SME projects supporting young people increased from 180 to 250 per year.  
• Numbers of youths were enabled to make informed-decision making about their employment situation.  
• Compulsory two weeks “Skills for Life Training” where youths are introduced into a “seeds of success training package” along with current issues (such as drugs, crime, HIV/AIDS, volunteer services) affecting youth development followed by a 4 weeks “Specific Skills Training” where youths undertake training in their occupational area of interest.  
• The NYSS targets 1,500 youth clients in 2009.  
• The National Volunteer Services targets 1,000 clients in 2009.  
• Offences against children to be recorded monitored and analyzed.  
• Young people benefiting from Placement Services Work Experience Programmes increased from 100 to 120 annually.  
• Teenage pregnancy reduced from 16% to 8% by 2011  
• Number of SME projects supporting young people increased from 180 to 250 per year.  
• Numbers of youths were enabled to make informed-decision making about their employment situation.  
• Compulsory two weeks “Skills for Life Training” where youths are introduced into a “seeds of success training package” along with current issues (such as drugs, crime, HIV/AIDS, volunteer services) affecting youth development followed by a 4 weeks “Specific Skills Training” where youths undertake training in their occupational area of interest.  
• The NYSS targets 1,500 youth clients in 2009.  
• The National Volunteer Services targets 1,000 clients in 2009. |
### Goal: Protection and development of Children and Youth

<table>
<thead>
<tr>
<th>Policy Objective</th>
<th>Strategies</th>
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<tbody>
<tr>
<td></td>
<td>towards a more client oriented and market driven approach.</td>
</tr>
<tr>
<td></td>
<td>• To encourage National Volunteer Services in all Govt. Ministries, &amp; Statutory Bodies.</td>
</tr>
<tr>
<td></td>
<td>• Strengthened policy formulation, programme implementation and monitoring.</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
<th>Key Performance Indicators</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>make informed-decision making about their employment situation.</td>
</tr>
<tr>
<td></td>
<td>• Compulsory two weeks “Skills for Life Training” where youths are introduced into a “seeds of success training package” along with current issues (such as drugs, crime, HIV/AIDS, volunteer services) affecting youth development followed by a 4 weeks “Specific Skills Training” where youths undertake training in their occupational area of interest.</td>
</tr>
<tr>
<td></td>
<td>• The NYSS targets 1,500 youth clients in 2010.</td>
</tr>
<tr>
<td></td>
<td>• The National Volunteer Services targets 1,000 clients in 2011</td>
</tr>
</tbody>
</table>
### 4.2.9 Sports Development

**Goal: Promoting Sports for Healthy Lifestyles, Employment Opportunities, Peace, Unity and Harmony**

<table>
<thead>
<tr>
<th>Policy Objectives</th>
<th>Strategies</th>
<th>Key Performance Indicators</th>
</tr>
</thead>
</table>
| People enjoy healthier lifestyles and improved sporting skills and knowledge. | • Increase in participation of citizens in “Sports for All” activities and integrate them in the workplace.  
• Support the development of sports facilities, programmes and involvement of the private sector in sports.  
• Measures to be designed and implemented to promote minor sports and develop professional players.  
• To facilitate employment opportunities through sports.  
• Increased number of qualified sports scientists and administrators and improved coordination between sports agencies, continuing implementation of the National Sports policy.  
• Increase in the number of national age group teams (U13, U17, U19 and U23) and competition for various sports.  
• Review Government tax incentives on sports sponsorship for national sporting federations.  
• Laucala Sports City hosts at least one international meet annually.  
• Administration of sports grants to National Sporting Organizations  
• Rural playing fields development  
• Implementation of sports outreach program | • Increase in corporate sponsorship from $2.6 million to $3.5 million per year.  
• Increase in gold medals from 25 to 35 in the Pacific and Mini South Pacific Games.  
• At least 3 medals Commonwealth Games won at each Games.  
• Each year, at least one age group in a team sport to qualify for World Championships.  
• Increase in number of athletes and players contracted to overseas clubs from 70 to 200.  
• Laucala Sports City hosts at least one international meet annually.  
• Increase in corporate sponsorship from $2.6 million to $3.5 million per year.  
• Increase in gold medals from 25 to 35 in the Pacific and Mini South Pacific Games.  
• At least 3 medals Commonwealth Games won at each Games.  
• Each year, at least one age group in a team sport to qualify for World Championships.  
• Increase in number of athletes and players contracted to overseas clubs from 70 to 200.  
• Laucala Sports City hosts at least one international meet annually. |
### 4.2.10 Environmental Sustainability

**Goal:** The sustainable use and development of Fiji’s natural resources and ecological processes

<table>
<thead>
<tr>
<th>Policy Objectives</th>
<th>Strategies</th>
<th>Key Performance Indicators</th>
</tr>
</thead>
</table>
| Fiji’s environment is protected from degradation and provides the people with a healthy and clean environment | • Promote awareness of environmental management at all levels and mobilize communities to manage their own environment as a priority over outside intervention by state and non-state actors.  
• Review and strengthen legislation which includes environmental management provisions (e.g. Forest Act, Public Health Act, and Litter Decree) and coordinate implementation in the framework of the EMA.  
• Enforce the EMA giving priority to early full enforcement of provisions for EIA and Waste Management and Pollution Control.  
• Continue the implementation of the Biodiversity Strategy and Action Plan and Endangered and Protected Species Act and the ODS Act 1998.  
• Increase awareness of Climate Change and its impact  
• Explore potential areas where Fiji can take advantage of Carbon Trading Facility provided under the Kyoto Protocol. | • Population of inventoried species to be stable or increasing.  
• Waste disposal at Naboro landfill increased from 60,000 to 80,000 tonnes per year by 2010.  
• 100% of facilities comply with EMA requirements by 2010.  
• All new developments to conduct EIA and establish monitoring benchmarks consistent with the EMA by 2010.  
• Total cessation of non-quarantine pre-shipment application for methyl bromide and chlorofluoro-carbons (CFCs) by 2010.  
• Population of inventoried species to be stable or increasing.  
• Waste disposal at Naboro landfill increased from 60,000 to 80,000 tonnes per year by 2010.  
• 100% of facilities comply with EMA requirements by 2010.  
• All new developments to conduct EIA and establish monitoring benchmarks consistent with the EMA by 2010.  
• Total cessation of non-quarantine pre-shipment application for methyl bromide and chlorofluoro-carbons (CFCs) by 2010. |
4.2.11 Culture and Heritage

Goal: Protection and management of our culture and heritage for current and future generations

<table>
<thead>
<tr>
<th>Policy Objectives</th>
<th>Strategies</th>
<th>Key Performance Indicators</th>
</tr>
</thead>
</table>
| Each community enjoys increased experience and benefits of its own culture and    | • Protect, preserve and manage Fiji’s Cultural and natural Heritage  
• Assist the agencies in the implementation of their development policies and strengthen their supporting infrastructure.  
• Develop and strengthen Fiji Arts Council, Fiji Museum, Fiji Art Gallery, and National Trust of Fiji to increase their effectiveness.  
• Develop strategies to preserve, promote and increase awareness of culture for posterity and increase coordination between relevant agencies.  
• Establish partnerships and links of professional cultural heritage institutions locally and overseas to support technical training on heritage management and preservation.  
• Promote conservation and cultural resource development that emphasizes partnership with local resource owners & local institutions.  
• Fully capitalize the Fiji Heritage Foundation as a sustainable and innovative funding mechanism for cultural heritage projects.  
• Develop a cultural heritage and arts curricula for primary and secondary education levels for inclusion into the formal education curricula. | • At least 2 heritage sites included in the World Heritage listing.  
• At least 80% of resource owners meet standard for best practices in the marketing of cultural resources.  
• At least 20 new heritage sites included as visitor attractions.  
• At least 20 new archaeological sites surveyed annually. |
### 4.2.12 Disaster Risk Reduction and Disaster Management

Goal: Building the national resilience to disasters, Reducing vulnerability and risks and adapting to Climate Change.

<table>
<thead>
<tr>
<th>Policy Objectives</th>
<th>Strategies</th>
<th>Key Performance Indicators</th>
</tr>
</thead>
<tbody>
<tr>
<td>Communities are better protected from the risks of disasters and are better able to cope with their consequences.</td>
<td>• Identify and implement Effective risk reduction projects.</td>
<td>• Government responds to disaster situation within the first 24 hours.</td>
</tr>
<tr>
<td></td>
<td>• Improve community response capacity in dealing with disasters and risks with effective, integrated and people-focused early warning systems on all hazards.</td>
<td>• Casualties reduced from 30 per year to none.</td>
</tr>
<tr>
<td></td>
<td>• Enhance analysis and evaluation of hazards, vulnerabilities and risks.</td>
<td>• Everybody to receive timely warning</td>
</tr>
<tr>
<td></td>
<td>• Promote and strengthened Food security programme to enhance community based disaster reduction initiatives.</td>
<td>• One third of all villages and settlements in Fiji have disaster plans and committees in 2010</td>
</tr>
<tr>
<td></td>
<td>• Strengthen organizational, institutional, policy and decision making frameworks.</td>
<td>• Models of best practice developed and adopted to support disaster risk reduction</td>
</tr>
<tr>
<td></td>
<td>• Enhance knowledge, information, public awareness and education.</td>
<td>• Cost for disaster emergency relief food ration reduced by 20% by 2012</td>
</tr>
<tr>
<td></td>
<td>• Strengthen effective planning, response and recovery.</td>
<td>•</td>
</tr>
<tr>
<td></td>
<td>• Ensure availability of adequate necessary germplasm to support recovery.</td>
<td>•</td>
</tr>
<tr>
<td></td>
<td>• Reduce the underlying risk factors.</td>
<td>•</td>
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</tbody>
</table>
4.2.13 Rural and Outer Islands Development

**Goal: Promoting Equal Opportunities and Access to Basic Services, Livelihoods and Markets**

<table>
<thead>
<tr>
<th>Policy Objectives</th>
<th>Strategies</th>
<th>Key Performance Indicators</th>
</tr>
</thead>
</table>
| Rural and outer island communities to meet their basic needs, improve living standards and quality of life towards self-sufficiency. | • Implement infrastructure plans on water and sewerage, electrification, alternative energy sources, and telecommunications.  
• Awareness programmes to educate rural population on Government assistance and their civic responsibilities.  
• Put in place new Divisional development structure  
• Undertake capacity building in divisional offices to better serve population.  
• Develop divisional development plans in consultation with divisional stakeholders, including community.  
• Implement review of shipping franchise scheme. | • Rural population with water-seal toilets or other sanitary waste disposal increased from 45% to 80%.  
• Increase in rural dwellers trained under the TVET and ‘Matua’ programmes from 2,000 to 3,000 per year. |

| Rural and outer island dwellers enjoy increased access to markets and government services to ensure income and food security. | • Community capacity building programmes at grassroots levels in collaboration with NGOs.  
• Support development of MSME.  
• Inter island shipping routes reviewed as well as improvement in inter island maritime infrastructure.  
• Increased access to formal financial services for savings and credit, including rural banking, microfinance and savings and credit unions.  
• Increased market access and connectivity by upgrading infrastructure & the provision of basic services & amenities. | • Average cash incomes per working age household member increased from F$550/yr to F$1,000/yr.  
• Minimum of 2 trips per month on each of nine franchised outer island shipping routes.  
• Agricultural sales to local and national private traders increased from 40% to 60% of total sales. |
CHAPTER 5
Chapter 5 Implementation and Monitoring Mechanism

It is recognized that the successful implementation of the Roadmap to Democratic and Sustainable Socio Economic Development (RDSSED) will require effective leadership, coordination, commitment, the necessary resources and continuous capacity building. Therefore, it is imperative that the necessary institutional arrangement is in place to ensure effective implementation of the Roadmap.

5.1 The Implementation Framework

All stakeholders and implementing agencies including Ministries and Departments will ensure that all key initiatives and major outputs are achieved within the timeframe. The framework to ensure a systematic and coherent approach to implementation is illustrated in Figure 5.1 and will consist of the following phases:

(i) **Roadmap** - based on the Strategic Framework for Change which will outline the outputs and respective strategies and programmes to achieve the outcomes in the Strategic Framework.

(ii) **Action Plans** - based on the Roadmap, ministries and departments will develop Action Plans which will be basis for the formulation of their Annual Corporate Plans.

(iii) **Nationwide Effort** - all stakeholders including ministries and departments must contribute positively to the implementation programme.

(v) **Implementation and Monitoring** - a monitoring and reporting framework will be developed to ensure systemic and effective implementation.

Figure 5.1: The Implementation Framework

![Implementation Framework Diagram](image-url)
5.2 The Monitoring Mechanism

The monitoring mechanism will involve the National Peoples Charter Council (NPCC), eleven sub-committees, a secretariat, Ministries and Departments, private sector and civil society. The entities involved in the mechanism and their reporting relationship is illustrated in Figure 5.2.

5.2.1 Composition and Functions of the NPCC

The members of the NPCC will be inclusive and representative of the people of Fiji. Therefore, members shall be drawn from the Government of the day, members of Parliament, recognised private sector organisation, the Great Council of Chiefs, Non Government Organisations, religious organisations, provincial councils, advisory councils and other community-based organisations.

Whereas the implementation and monitoring mechanisms of successive previous Governments have focused largely on passively reviewing implementation performance, this will need adjustment and updating as circumstances change over time. In light of this necessity and the need for greater public inclusiveness, dialogue and participation, the NPCC, shall be actively engaged in performing the role of facilitator, setting and shaping the ongoing agenda for change.

The NPCC will monitor the Roadmap outputs and their respective Key Performance Indicators (KPIs), as contained in the attached Implementation and Monitoring Matrix. The NPCC, and sub-committees will not limit themselves to assessing progress against the KPIs: an important function of the sub-committees will be to assess the continuing relevance of outcomes and KPIs and the quality of information they are providing so that the adequacy of all KPIs is kept under review.

The functions of the NPCC, shall include:

- Monitor Roadmap implementation focusing on the outputs and key performance indicators;
- Provide forums for consultation and dialogue for consensus building on national development issues;
- Carry out civic education on governance issues, national identity and other issues considered relevant and important;
- Evaluate and review performance of implementing agencies;
- Review of the Roadmap when necessary for the purpose of updating and adjustment; and
- Provide policy advice and support to the Prime Minister and Cabinet on issues pertaining to the Roadmap.
Figure 5.2 Monitoring Framework for the Roadmap

PARLIAMENT

NATIONAL PEOPLES CHARTER COUNCIL

Sub-Com Pillar 1
Sub-Com Pillar 2
Sub-Com Pillar 3
Sub-Com Pillar 4
Sub-Com Pillar 5
Sub-Com Pillar 6
Sub-Com Pillar 7
Sub-Com Pillar 8
Sub-Com Pillar 9
Sub-Com Pillar 10
Sub-Com Pillar 11

Government Ministries and Departments
Civil Society Organisations
Private Sector Organisations
Sub-Committees

To support the work of the NPCC, eleven sub committees will be established to coordinate the work relevant to their respective sectors based on their Terms-of-Reference. The sub-committees will comprise representatives from Government, the private sector and civil society. To facilitate implementation, the sub-committees will meet on a quarterly basis during the year.

The sub-committees will:

- set a broad agenda for the four meetings in the year in consultation with the Secretariat;
- with the assistance of the Secretariat, hold meetings in accordance with the forward programme. The objective of the meetings will be to monitor progress made in the achievement of KPIs, identify constraints and corrective actions; and
- provide an oral report and recommendations to meetings of the NPCC.

Secretariat

A Secretariat will be established under the Ministry of National Planning to support the NPCC in its functions. The secretariat needs to be professional and have a strong technical background to better support the NPCC. In light of the broad range and complexity of issues involved, the Secretariat must be adequately equipped with resources and expertise.

The Secretariat will:

- determine, with the sub-committees’ Chair, which Ministries and Departments, private sector and civil society sections have responsibilities relevant to the work of the sub-committees;
- determine from the Implementation and Monitoring Framework and annual corporate plans of relevant Ministries and Departments what progress should be expected, and what information available, in the forthcoming financial year; also assist the Chair to set a forward agenda;
- communicate the forward agenda to all members and Permanent Secretaries of relevant Ministries and Departments, private sector and civil society;
- maintain contact with relevant Ministries and Departments to determine the range of performance information available;
- set up an information and cooperation network with relevant Ministries and Departments, the private sector and civil society so that they can actively support the Secretariat role;
- set dates for meetings and inform members of sub-committees; ensure as far as possible that information relevant to the discussion is circulated beforehand; and where final published information is not available, obtain estimates or provisional data; and
• record the discussions to form a basis for the Chair’s oral report to the NPCC.

Permanent Secretaries of Ministries and Departments

Permanent Secretaries will contribute to the implementation and monitoring of the Roadmap to Democratic and Sustainable Socio Economic Development (RDSSED) by:

• ensuring that there are direct links between their annual corporate plans, RDSSED and budget bids. Performance indicators and milestones in annual corporate plans should be realistic and achievable within the resources of the Ministry or Department with appropriate collaboration from other parts of Government, and capable of being achieved within the year covered by the Plan;

• aligning their personal performance agreements to the outputs and coordination requirements identified in the (RDSSED) and the annual corporate plans; and

• personally attending meetings of the sub-committees to which their Ministry or Department is relevant, and taking a personal interest in the quality and timeliness of the information being provided by their Ministry or Department to the sub-committees.

Cabinet

Cabinet will play an active leadership role in the implementation and monitoring and will:

• discuss on a regular basis progress reports on Roadmap implementation;
• on the advice of NPCC and in consultation with the President’s Office effect reviews when necessary to the Roadmap; and
• through the Ministers ensure full and effective implementation of the Roadmap.

5.2.2 Management Information System

The effectiveness of monitoring and evaluation systems is dependent on the establishment of a well-developed management information system. The availability of timely and quality data is essential to ensure informed decisions are undertaken.

The Fiji Islands Bureau of Statistics, as the national statistical agency, is mandated to ‘collect, compile, abstract, analyse and publish statistical information relating to the commercial, industrial, agricultural, social, economic and general activities and conditions of the people of Fiji in a timely and coherent manner.’

An Information System will be established and maintained so that the implementation of reforms can be tracked and timely corrective actions taken. The Information system will
include agreed baselines, time-bound indicators, and specific benchmarks to measure and monitor progress. It will permit timely analysis and prompt publication of the results from and effects of the RDSSED initiatives.
APPENDICES
## Appendix 1 Millennium Development Goals (MDGs)

### Goals and Targets* (from the Millennium Declaration)

<table>
<thead>
<tr>
<th>Goal 1: Eradicate extreme poverty and hunger</th>
<th>Indicators for monitoring progress**</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Target 1:</strong> Halve, between 1990 and 2015, the proportion of people whose income is less than one dollar a day</td>
<td>1. Proportion of population below $1 (PPP) per day</td>
</tr>
<tr>
<td></td>
<td>2. Poverty gap ratio</td>
</tr>
<tr>
<td></td>
<td>3. Share of poorest quintile in national consumption</td>
</tr>
<tr>
<td>Achieve full and productive employment and decent work for all, including women and young people</td>
<td>Growth rate of GDP per person employed</td>
</tr>
<tr>
<td></td>
<td>Employment-to-population ratio</td>
</tr>
<tr>
<td></td>
<td>Proportion of employed people living below $1 (PPP) per day</td>
</tr>
<tr>
<td></td>
<td>Proportion of own account and contributing family workers in total employment</td>
</tr>
<tr>
<td><strong>Target 2:</strong> Halve, between 1990 and 2015, the proportion of people who suffer from hunger</td>
<td>4. Prevalence of underweight children under-five years of age</td>
</tr>
<tr>
<td></td>
<td>5. Proportion of population below minimum level of dietary energy consumption</td>
</tr>
</tbody>
</table>

### Goal 2: Achieve universal primary education

| Target 3: Ensure that, by 2015, children everywhere, boys and girls alike, will be able to complete a full course of primary schooling | 6. Net enrolment ratio in primary education |
| | 7. Proportion of pupils starting grade 1 who reach last grade of primary** |
| | 8. Literacy rate of 15-24 year-olds, women and men** |

### Goal 3: Promote gender equality and empower women

| Target 4: Eliminate gender disparity in primary and secondary education, preferably by 2005, and in all levels of education no later than 2015 | 9. Ratios of girls to boys in primary, secondary and tertiary education |
| | 10. (dropped)** |
| | 11. Share of women in wage employment in the non-agricultural sector |
| | 12. Proportion of seats held by women in national parliament |

### Goal 4: Reduce child mortality

| Target 5: Reduce by two-thirds, between 1990 and 2015, the under-five mortality rate | 13. Under-five mortality rate |
| | 14. Infant mortality rate |
| | 15. Proportion of 1 year-old children immunised against measles |

### Goal 5: Improve maternal health

| Target 6: Reduce by three-quarters, between 1990 and 2015, the maternal mortality ratio | 16. Maternal mortality ratio |
| | 17. Proportion of births attended by skilled health personnel |
| | 19c. Contraceptive prevalence rate** |
| Achieve, by 2015, universal access to reproductive health | Adolescent birth rate |
| | Antenatal care coverage (at least one visit and at least four visits) |
| | Unmet need for family planning |

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9 For monitoring country poverty trends, indicators based on national poverty lines should be used, where available.

10 Previously: “Ratio of literate women to men, 15-24 years old”.

11 Moved from Goal 6.
<table>
<thead>
<tr>
<th>Goals and Targets* (from the Millennium Declaration)</th>
<th>Indicators for monitoring progress**</th>
</tr>
</thead>
</table>
| **Target 7: Have halted by 2015 and begun to reverse the spread of HIV/AIDS** | **18. HIV prevalence among population aged 15-24 years**  
19a. Condom use at last high-risk sex  
19b. Proportion of population aged 15-24 years with comprehensive correct knowledge of HIV/AIDS  
20. Ratio of school attendance of orphans to school attendance of non-orphans aged 10-14 years |
| Achieve, by 2010, universal access to treatment for HIV/AIDS for all those who need it | Proportion of population with advanced HIV infection with access to antiretroviral drugs |
| **Target 8: Have halted by 2015 and begun to reverse the incidence of malaria and other major diseases** | **21. Incidence** and death rates associated with malaria  
22. Proportion of children under 5 sleeping under insecticide-treated bednets and Proportion of children under 5 with fever who are treated with appropriate anti-malarial drugs**  
23. Incidence**, prevalence and death rates associated with tuberculosis  
24. Proportion of tuberculosis cases detected and cured under directly observed treatment short course |
| **Goal 7: Ensure environmental sustainability** | **25. Proportion of land area covered by forest**  
26. Proportion of terrestrial and marine areas protected**  
27. Proportion of species threatened with extinction |
| **Target 9: Integrate the principles of sustainable development into country policies and programmes and reverse the loss of environmental resources** | **26. Incidence**, prevalence and death rates associated with tuberculosis  
27. Proportion of species threatened with extinction |
| **Goal 8: Develop a global partnership for development** | **28. Proportion of fish stocks within safe biological limits**  
29. Proportion of total water resources used**  
30. Proportion of population using an improved drinking water source**  
31. Proportion of population using an improved sanitation facility** |
| **Target 10: Halve, by 2015, the proportion of people without sustainable access to safe drinking water and basic sanitation** | 32. Proportion of urban population living in slums** |
| **Target 11: By 2020, to have achieved a significant improvement in the lives of at least 100 million slum dwellers** | Some of the indicators listed below are monitored separately for the least developed countries (LDCs), Africa, landlocked developing countries and small |

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12 Previously: “Energy use (kg oil equivalent) per $1 GDP (PPP)”.

13 Previously: “Proportion of population using solid fuels”.

14 The actual proportion of people living in slums is measured by a proxy, represented by the urban population living in households with at least one of the four characteristics: (a) lack of access to improved water supply; (b) lack of access to improved sanitation; (c) overcrowding (3 or more persons per room); and (d) dwellings made of non-durable material.
<table>
<thead>
<tr>
<th>Goals and Targets* (from the Millennium Declaration)</th>
<th>Indicators for monitoring progress**</th>
</tr>
</thead>
<tbody>
<tr>
<td>Includes a commitment to good governance, development and poverty reduction – both nationally and internationally</td>
<td>island developing States.</td>
</tr>
<tr>
<td><strong>Target 13: Address the special needs of the least developed countries</strong></td>
<td>Official development assistance (ODA)</td>
</tr>
<tr>
<td>Includes: tariff and quota free access for the least developed countries' exports; enhanced programme of debt relief for heavily indebted poor countries (HIPC) and cancellation of official bilateral debt; and more generous ODA for countries committed to poverty reduction</td>
<td>33. Net ODA, total and to the least developed countries, as percentage of OECD/DAC donors’ gross national income</td>
</tr>
<tr>
<td><strong>Target 14: Address the special needs of landlocked developing countries and small island developing States (through the Programme of Action for the Sustainable Development of Small Island Developing States and the outcome of the twenty-second special session of the General Assembly)</strong></td>
<td>34. Proportion of total bilateral, sector-allocable ODA of OECD/DAC donors to basic social services (such as education, primary health care, nutrition, safe water and sanitation)</td>
</tr>
<tr>
<td><strong>Target 15: Deal comprehensively with the debt problems of developing countries through national and international measures in order to make debt sustainable in the long term</strong></td>
<td>35. Proportion of bilateral official development assistance of OECD/DAC donors that is untied</td>
</tr>
<tr>
<td>36. ODA received in landlocked developing countries as a proportion of their gross national incomes</td>
<td>37. ODA received in small island developing States as a proportion of their gross national incomes</td>
</tr>
<tr>
<td>Market access</td>
<td></td>
</tr>
<tr>
<td>38. Proportion of total developed country imports (by value and excluding arms) from developing countries and least developed countries, admitted free of duty</td>
<td></td>
</tr>
<tr>
<td>39. Average tariffs imposed by developed countries on agricultural products and textiles and clothing from developing countries</td>
<td></td>
</tr>
<tr>
<td>Debt sustainability</td>
<td>40. Agricultural support estimate for OECD countries as a percentage of their gross domestic product</td>
</tr>
<tr>
<td>41. Proportion of ODA provided to help build trade capacity</td>
<td></td>
</tr>
<tr>
<td>42. Total number of countries that have reached their HIPC decision points and number that have reached their HIPC completion points (cumulative)</td>
<td>43. Debt relief committed under HIPC and MDRI** Initiatives</td>
</tr>
<tr>
<td>44. Debt service as a percentage of exports of goods and services</td>
<td></td>
</tr>
<tr>
<td>Goals and Targets* (from the Millennium Declaration)</td>
<td>Indicators for monitoring progress**</td>
</tr>
<tr>
<td>------------------------------------------------------</td>
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</tr>
<tr>
<td>Target 16: replaced by new target in Goal 1</td>
<td>45. (Replaced by new indicators in Goal 1)$^{15}$</td>
</tr>
<tr>
<td>Target 17: In cooperation with pharmaceutical companies, provide access to affordable essential drugs in developing countries</td>
<td>46. Proportion of population with access to affordable essential drugs on a sustainable basis</td>
</tr>
</tbody>
</table>
| Target 18: In cooperation with the private sector, make available the benefits of new technologies, especially information and communications | 47a. Telephone lines per 100 population **  
47b. Cellular subscribers per 100 population**  
48. Internet users per 100 population** |

* The numbering of the targets and indicators will be undertaken through the inter-agency process of the Inter-agency and Expert Group on MDG Indicators.
** The language has been modified for technical reasons, so that the data can be more clearly reflected.

$^{15}$ Previously: “Unemployment rate of young people aged 15-24 years, each sex and total”.