MINISTERIAL PRESENTATION ON PUBLIC PRIVATE PARTNERSHIP (PPP) FRAMEWORK.

FIJI EXPERIENCE
FIJI COUNTRY REPORT

- Form of Government: Democratic Republic
- Parliamentary System: Legislative Assembly (2 Houses of Parliament)
- Head of State: President
- Head of Government: Prime Minister
- Military: Strength 5,000 army personnel
- Population: 944,720 people
  - Fijians (52%)
  - Indians (42%)
  - Others (6%)
- Land Area: 18,300 square kilometers
- Land Ownership:
  - (i) Native Communal Ownership (80%)
  - (ii) Government Ownership (8%)
  - (iii) Freehold Lands (12%)
<table>
<thead>
<tr>
<th>Category</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Populated Islands</td>
<td>100 islands populated out of total 332 islands</td>
</tr>
<tr>
<td>Maritime Area (EEZ)</td>
<td>1.3 million square kilometers of Ocean</td>
</tr>
<tr>
<td>GDP</td>
<td>F$4.5 billion or US$2.3 billion</td>
</tr>
<tr>
<td>GDP per Capita</td>
<td>US$5.900</td>
</tr>
<tr>
<td>Exports</td>
<td>US$719.6 million (fob)</td>
</tr>
<tr>
<td>Major Exports</td>
<td></td>
</tr>
<tr>
<td>Sugar</td>
<td>F$120 million</td>
</tr>
<tr>
<td>Tourism</td>
<td>F$500 million</td>
</tr>
<tr>
<td>Fisheries</td>
<td>F$30 million</td>
</tr>
<tr>
<td>Minerals</td>
<td>F$40 million</td>
</tr>
</tbody>
</table>
FIJI COUNTRY REPORT

Imports: US$1.462 billion (cif)

Major Imports
(i) Oil: F$1.0 billion
(ii) Food: F$100 million
(iii) Plants/Machinery Vehicles: F$100 million

Trading Partners: Australia, USA, UK, New Zealand, Singapore, Pacific Islands

Business Sector
(i) Limited Liability Co: 18,862
(ii) Partnership: 21,718
(iii) Sole Trader: 76,212

TOTAL: 116,792
(ii) BUSINESS COMMUNITY : Private Sector

Majority of business : Owned by Indian Family Companies
Private Sector:

- Dominated by small Family business or SME’s (Small Medium Enterprises) with a number of big large companies like Punjas, Tapoos, Motibhais, Fijian Holdings, Carpenters, Asco as well as a number of foreign companies like TOTAL, Mobil and Hotel Chains for tourism industry.

Business Profiles

(i) Limited liability companies : 18,862
(ii) Partnership Companies : 21,718
(iii) Sole Traders : 76,212

---------
TOTAL : 116,792
Public Sector:
Quite a number of public sector companies owned by Government that are involved in business activities including FSC for sugar manufacture, FEA for electricity supply, WAF for water supply, FRA for roads and LTA for road transport. Road transport is dominated by private owned buses number 1,200 buses, taxis (over 7,000), minibuses (over 3,000) and private vehicles (over 50,000).

(i) **Government Annual Funding for Capital Infrastructures** = $500 million can assist in PPP Projects.

(ii) Ministry Works & Transport Budget = $260 million

(iii) Roads = $200 million
(iii) **FIJI ECONOMY**

GDP : Estimated $4.5 billion

Dominated by: Services Industry related to tourism followed by manufacturing, agriculture and Wholesale/Retail trade.

(iv) **LEGISLATIONS**


Legislation is administered by the Minister of Public Enterprises and Reform.

Act focused more on tender requirements for PPP Projects.
(v) **MAIN OBJECTIVE ACT:**
To promote PPP in capital project implementation in Fiji, especially in the areas of road and building construction, water supply, electricity supply, tourism industry development.

(vi) **SPECIFIC CASES OF PPP PROJECTS IN FIJI**

**Momi Bay Hotel**
A $100 million hotel project constructed by Matapo Company of NZ covering hotel infrastructures and 10km roads to the hotel site. Cost of road construction of around $20 million to be reimbursed by the Government.
Dravuni Jetty in Ono, Kadavu

This jetty was constructed by Carnival Australia, a tour based company of Australia that sends large tourism vessels to Fiji including visit to Dravuni Island in Ono, Kadavu, for tourist visits.
Infrastructure (Roads, Water and Electricity Supply)

Quite a number of foreign based companies are contracted by the Government of Fiji to build new roads and construct new water dams and reservoir for different parts of Fiji. At the completion of these infrastructure projects, plants/machineries and equipments used are transferred to Government ownerships.
Government through the Fiji Electricity Authority (FEA) is also involved in PPP Projects. FEA is a Government Commercial Statutory Authority (CSA). These PPP projects related to electricity generation and power supply.

They include:

(i) Fiji Sugar Corporation (FSC) Labasa Mill Supplying 2MW of electricity to the national grid, from co-generation.

(ii) Tropik Woods Mill at Lautoka supplying 5MW of electricity to the national grid from biomass

FIJI ELECTRICITY DEMAND AND SUPPLY

(i) National Energy Demand : 200MW
(ii) Electricity Supply : 190MW
(iii) Hydro : 130MW
(iv) Diesel : 60MW
Government Offices/Buildings

Quite a number of Government Offices in Fiji owned by Private sector entities are rented by Government.

Also Government encourages private companies to build, operate and transfer buildings to Government under the BOT programme. However, not many opportunities for this business arrangement is being pursued by private entities in Fiji.
(vii) **TRANSPORT SECTOR**

- **Bus Fare e-ticket Project**

This is a PPP project where bus companies are installing e-ticket Machines provided by private companies like tfl and Foneology/Vodafone to operationalize a $12million Government supported bus fare Scheme, managed by the Ministry of Education to benefit some 100,000 subsidized students in the Fiji Education System.
Local Government

Quite a number of local Municipal Councils in Fiji are undertaking PPP Projects in a number of sectors including roads and rubbish cleaning, etc.
POTENTIAL PPP PROJECTS IN FIJI

Some of the potential PPP Projects in Fiji shall include:

(i) Rokobili Wharf (Suva) = $500million

(ii) Government Shipyard Project (Suva) = $300million

(iii) Middle Point Jetty (Labasa, Vanua Levu) = $100million

(iv) Monorail Transport (Suva - Nadi) = $500million
(viii) **Major Constraints**

Major constraints in the implementation of PPP Act in Fiji include:

- Private Sector businesses are not keen on PPP projects.
- Private Sector in Fiji operate on an uneven playing field where only a few large companies are involved in Government contracting services.

**Reasons for unhealthy Situation on PPP Framework**

Terms and conditions of PPP projects are unattractive to them.

Government needs to improve on these Terms and conditions including tax rebates and concessions.
CONCLUSION

On the whole, Fiji is still in the infant stage of implementation of PPP projects and the Fijian Government appreciates the opportunity to learn from your experiences.
THANK YOU