Doing Business in Fiji

This chapter serves as a brief roadmap for U.S. companies to enter or expand into Fiji’s market.

Market Overview

The Republic of Fiji has traditionally been the economic, transportation, and academic hub of the South Pacific islands, with trade and investment potential in infrastructure development, energy, mining, health, and agriculture. The United States is Fiji’s main destination for its exports, accounting for 26.6 percent of Fiji’s total merchandise exports. Total trade between the United States and Fiji in 2020 reached $262.9 million, in favor of Fiji. The United States is also the sixth largest source of merchandise imports into Fiji. In 2020, top U.S. exports to Fiji included computer and electronic products, chemicals, and fabricated metal products.

The prolonged COVID-19 pandemic and a second wave of the virus impacting Fiji’s main island Viti Levu since April 2021 restricted domestic movements and economic activity, and has had a devastating impact on Fiji’s economy. Restrictions on international travel since 2020 plunged the tourism-reliant country into its largest ever economic contraction of 15.7 percent in 2020. The government forecasts a further contraction of 4.1 percent in 2021. Tourist arrivals and earnings in 2021 compared to 2019 pre-pandemic levels, declined 98.1 percent to 16,892 visitors, and 99.3 percent to $6.6 million (F$14.3 million) in earnings, respectively. Labor market conditions in 2020 deteriorated resulting in an estimated 115,00 out of the 360,000-person workforce losing their jobs. Personal remittances from Fijians working overseas surpassed tourism as the largest foreign exchange earner and is expected to grow 8.7 percent in 2021 totaling $326.9 million (F$709.3 million).
Market Challenges

The ongoing impact of the COVID-19 pandemic has affected shipping routes and increased costs of shipping. Despite reforms to improve the ease of doing business, businesses continue to experience slow and lengthy wait times due to inefficient and inconsistent processing of government approvals and licenses and customs clearance. Fiji’s infrastructure such as roads and bridges also lack maintenance, and the cost of utilities is relatively high, especially power and communications. Fiji’s geographic location and time differences is also a challenge for businesses in the United States. The Fiji government’s tax regulations and foreign exchange requirements on profit remittance is a common challenge experienced by foreign businesses.

Market Opportunities

Fiji has trade and investment potential in infrastructure development, energy, mining, health, information technology and communication (ITC), and agriculture. These provide export and trade opportunities in consumer goods, agricultural and food processing machinery, data processing and telecommunication equipment, power generation, transmission and distribution equipment, and medical services. The reopening of Fiji’s borders and recommencement of the country’s largest economic industry, tourism, targeted for December 2021, will also provide opportunity for food and beverage and hospitality industry supplies and services.

According to the Fiji government’s 2021-2022 Budget, the government is collaborating with bilateral and multilateral development partners for projects around $3.1 million (FJ$6.8 million) in disaster risk management, improving rural water and water efficiency, waste management and bridge reconstruction, and a $200,000(FJ$400,000) energy financing project. Allocations for the maintenance of road assets, upgrade and replacement of bridges exceed US$46.1 million (FJ$100 million).

Market Entry Strategy

To successfully enter the Fiji market, it is essential that U.S. firms have local market expertise. U.S. firms often work with an appropriate business partner in the local market to provide on-going support to ensure an amicable long-term relationship.

The majority of Fiji’s business community is of Indo-Fijian ethnicity; however, the number of indigenous Fijian businesspersons is growing. While English is widely spoken in Fiji, the cultural differences between the United States and Fiji should not be overlooked.

As Australia and New Zealand companies dominate the local business scene and have a long standing relationship with local companies, U.S. companies need to be prepared to match strong competition from Australia and New Zealand as well as growing Asian suppliers.

It is highly recommended that due diligence be undertaken prior to entering any contract or making any long-term commitment.

Leading Sectors for U.S. Exports and Investment

Renewable Energy & Solar

- Overview: Fiji has potential for renewable energy in solar, hydro and biomass. The country’s energy needs are met from a variety of sources, including hydro and diesel generation, wood, coal, and petroleum products. Fiji’s 20-year National Development plan calls for all power generated from renewable sources by 2030, and will require an additional 120MW of renewable energy to
achieve this target. Energy Fiji Limited (EFL) is the main generator and distributor of grid-based power to an estimated ninety percent of the population on the main islands of Viti Levu, Vanua Levu, and Ovalau. EFL aims to be 90 percent renewable powered by 2025 and 99 percent by 2030. Currently, about 40 percent of power is generated from diesel and heavy fuel oil, which is purchased from local companies via Singapore-based suppliers. Prior to the pandemic, Fiji’s electricity demand had increased by 14 percent over a four-year period from 2016 to 2019. Energy generated from renewable sources is primarily hydro. Four 5MW solar farms projects currently in progress. The Government remains the major shareholder in EFL with 51 percent shares, while a new Japanese partner Sevens Pacific Pte Ltd owns 44 percent and Fijian domestic accounts hold the remaining 5 percent. EFL has an ongoing $900 million (FJ$1.97 billion) 10-year Power Development Plan (PDP) to invest in new generation transmission and distribution. EFL’s capital expenditures planned for 2021, 2022 and 2023 are expected to total FJ$96.21 million, FJ$51.31 million and FJ$66 million respectively.

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<th>2018</th>
<th>2019</th>
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<tr>
<td>Total Imported Mineral Fuels (F$M)</td>
<td>$536.9</td>
<td>$517.8</td>
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<td>Total Electricity Generated (Mwh)</td>
<td>1,032,947</td>
<td>1,061,249</td>
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<tr>
<td>%Contribution from Hydro</td>
<td>57.07</td>
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<tr>
<td>%Contribution from Thermal</td>
<td>42.67</td>
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<tr>
<td>%Contribution from Wind &amp; Solar</td>
<td>0.26</td>
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<td>EFL’s Total Customers</td>
<td>190,404</td>
<td>199,020</td>
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Units: $ millions
Source: Fiji Bureau of Statistics

Resources

**Energy Fiji Limited**

**Fiji Department of Energy**

**Pacific Power Association**

Leading Sectors for U.S. Exports and Investment

Information And Communication Technology

- **Overview:** COVID-19 has highlighted the importance of strengthening digital infrastructure. Digital connectivity presents an opportunity for Fiji to reduce costs, be more competitive, and develop new drivers of growth. Currently, the country’s main telecommunications operators including Vodafone, Telecom Fiji, and Fiji International Telecommunications Ltd. are owned by Amalgamated Telecom Holdings (ATH), which in turn is owned by the Fiji National Provident Fund. Digicel is the other major player in the industry. Fiji’s 20-year National Development Plan targets a 100 percent wired and wireless network coverage in Fiji and access to digital connectivity, a 70 percent household penetration of broadband and 60 percent of individuals using the internet by 2021. In the government's 2021-2020 Budget, it has announced incentives to attract private sector investment in network cabling and ICT infrastructure to accelerate digital
connectivity. Incentives aimed at developing the Business Processing Outsourcing (BPO) sector include 10 year tax holidays for investments below FJ$5 million, to a maximum of 20 years tax holidays for investments above $10 million, as well as import duty exemptions for machinery, equipment and spare parts. The government has also announced its intention to divest its shares in ATH.

- Mobile phone penetration is also rising with an estimated 95% of Fijians having access to mobile broadband through the use of 3G and 4G. This has contributed to the rapid growth in the eCommerce space and mobile financial transactions. Vodafone, Fiji’s largest mobile network reported rapid growth in international money transfers to Fiji through its online payment platform MPaisa, and in a two-month span (February-April) in 2020, transfers increased from $920,000 (FJ$2million) to $2.1 million (FJ$4.5 million).

- However, recent regional studies also indicate that with the increased connectivity, the Pacific face significant risk from cyberattack. The potential to cause financial loses through fraud or unauthorized access to banking, as well as harm the physical well-being of citizens is high. Mobile security and payment applications, and software applications will increasingly be in demand.

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<th></th>
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<th>2019</th>
<th>2020</th>
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<tbody>
<tr>
<td>Import – Machinery,</td>
<td>$414.7 (FJ$899.9)</td>
<td>$404.5 (FJ$877.8)</td>
<td>$260.8 (FJ$566.0)</td>
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<tr>
<td>mechanical &amp; electrical</td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>appliances</td>
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<tr>
<td>Exchange Rate</td>
<td>USD 1 = FJD 2.17</td>
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</table>

Units: $ millions  
Source: Fiji Bureau of Statistics

**Resources**

- **Investment Fiji**
- **Pacific Regional Infrastructure Facility**

**Leading Sectors for U.S. Exports and Investment**

**Agriculture Sector**

- **Overview:** The importance of the agriculture sector to Fiji’s economy for income generation and food security has risen following the devastating impact of the COVID-19 pandemic on the country’s tourism industry. The agriculture sector accounts for about 10.4 percent of Fiji’s GDP, the sector supports the livelihoods of 27 percent of Fiji’s population, and is the main source of work for more than 83 percent of Fiji’s rural population. The Fiji government is focused on increasing the non-sugar subsector’s performance and has offered tax incentives to attract private sector investment into the sector. Despite the pandemic, Fiji recorded the highest fresh/chilled exports in 2020 valued at $49.2 million (FJ$106.7 million) since 2013, which accounted for 9.3 percent of export earnings. Papaya, pineapple, and banana are the major fruit commodities but there are few establishments engaged in processing local fruits and vegetables, mainly for the domestic market, and in producing fruit juice concentrates (pineapple, orange, guava, mango, passion fruit, and other citrus fruit juices). A small but growing volume of high quality niche agricultural commodities, including certified organic coconut and ginger products, chocolate, and
kava is also exported. There is potential for the agro-processing sector for value-adding and niche-market processing of commodities.

- The Fiji government is collaborating with development partners to increase linkages between the agriculture and tourism sectors, and to maximize benefits to local farmers and the economy. In 2019, food imports contributed 19.7 percent of Fiji’s total imports. Fiji is dependent on imported produce to meet the tourism sector’s demand of fresh fruit and vegetables, meat, seafood and dairy products. Average dairy production averages 11-18 million liters annually, although domestic demand is reportedly estimated at 80 million liters.

Opportunities

Potential commodities in the agro-processing sector for value-added and niche-market processing include fresh fruits such as papaya, tomatoes, pineapple, coconut, duruka (Saccharum edule), guava, and mango; vegetables; and herbal kava products. Potential also exists for snack food processing of readily-available taro, tapioca, breadfruit, and banana. As fruits and vegetables are seasonal crops, processing facilities will need to have flexibility to allow the processing of multiple items to utilize the same plant throughout the year.

Investment, equipment, and supplies needed to expand and support these industries are in demand. The sector also faces a number of challenges including natural disasters, inadequate infrastructure, and high transportation and input costs.

Resources

Fiji Ministry of Agriculture
Investment Fiji

Customs, Regulations and Standards

Trade Barriers

Exporters to Fiji do not require import licenses for most non-agricultural goods. Most imports are subject to duty. Drawback of duty can be claimed for re-exported goods. Quarantine policies for agricultural products present a trade barrier.

Contact Information
Permanent Secretary, Ministry of Commerce, Trade, Tourism and Transport
P.O. Box 2118
Government Buildings, Suva
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General Manager Customs, Fiji Revenue and Customs Service
GPO Box 175, Suva
Phone: (679) 324-366
Import Tariffs

Tariff rates for goods range from zero to 32 percent; the modal rate (most frequent) rate is 5 percent. To attract foreign investment in the ICT, network cabling and infrastructure, hotel development, recycling, and agriculture, the Fiji government is providing tariff exemptions on raw materials, machinery and equipment, including spare parts. A nine percent Value Added Tax (VAT) is applicable on all imports. Fiji's VAT is a single-rate tax. VAT is imposed on imports of all categories of professional services. The importer of such services is required to pay VAT to the Fiji Revenue and Customs Service.

Import Requirements and Documentation

The Biosecurity Authority of Fiji must license certain types of agricultural imports, such as rice, dairy, poultry, and meat. The Ministry of Economy issues import licenses for gold and other precious metals, photocopying apparatus with an optical system, and cigarette lighters and other mechanical or electrical lighters. Import licenses for products such as lubricants, transformer and circuit breaker oils, cleansing oils, and hydraulic brake oils are issued by the Ministry of Commerce, Trade, Tourism and Transport.

Fiji Revenue and Customs Service
Biosecurity Authority of Fiji
Ministry of Economy

Labeling and Marking Requirements

For packaged goods, quality certification and weight must be on the label. Labels for all imported goods must also specify the country and the company that produced the goods. Food items also need to adhere to the Ministry of Health’s food safety regulations. The Ministry's marketing controls for foods for infants and young children also include labelling requirements. Beverage products must have use-by-date and the content details.

U.S. Export Controls

The United States imposes export controls to protect national security interests and promote foreign policy objectives related to dual-use goods through implementation of the Export Administration Regulations (EAR). The Bureau of Industry and Security (BIS) is comprised of two elements: Export Administration (EA), which is responsible for processing license applications, counseling exporters, and drafting and publishing changes to the Export Administration Regulations; and Export Enforcement (EE), which is responsible for the enforcement of the EAR. BIS works closely with U.S. embassies, foreign governments, industry, and trade associations to ensure that exports from the United States are secure and comply with the EAR. BIS officials conduct site visits, known as End-Use Checks (EUCs), globally with end-users, consignees, and/or other parties to transactions involving items subject to the EAR to verify compliance.

An EUC is an on-site verification of a non-U.S. party to a transaction to determine whether the party is a reliable recipient of U.S. items. EUCs are conducted as part of BIS's licensing process, as well as its compliance program, to determine if items were exported in accordance with a valid BIS authorization or otherwise consistent with the EAR.

Specifically, an EUC verifies the bona fides of transactions subject to the EAR, to include: confirming the legitimacy and reliability of the end-use and end-user; monitoring compliance with license conditions; and ensuring items are used, re-exported or transferred (in-country) in accordance with the EAR. These checks might be completed prior to the export of items pursuant to a BIS export license in the form of a Pre-License Check (PLC), or following an export from the UNITED STATES during a Post-Shipment Verification (PSV).

BIS officials rely on EUCs to safeguard items subject to the EAR from diversion to unauthorized end-uses/users. The verification of a foreign party’s reliability facilitates future trade, including pursuant to BIS license reviews. If BIS is unable to verify the reliability of the company or is prevented from accomplishing an EUC, the company may receive, for example, more regulatory scrutiny during license application reviews or be designated on BIS’s Unverified List or Entity List, as applicable.
BIS has developed a list of "red flags", or warning signs, and compiled "Know Your Customer" guidance intended to aid exporters in identifying possible violations of the EAR. Both of these resources are publicly available, and their dissemination to industry members is highly encouraged to help promote EAR compliance.

BIS also provides a variety of training sessions to U.S. exporters throughout the year. These sessions range from one to two-day seminars that focus on the basics of exporting to coverage of more advanced, industry-specific topics. Interested parties can check list of upcoming seminars and webinars or reference BIS provided online training.

BIS and the EAR regulate transactions involving the export of "dual-use" U.S. goods, services, and technologies. For advice and regulatory requirements, exporters should consult the other U.S. Government agencies which regulate more specialized items. For example, the U.S. Department of State's Directorate of Defense Trade Controls has authority over defense articles and services, or munitions. A list of other agencies involved in export control can be found on the BIS website or in Supplement No. 3 to Part 730 of the EAR.

The EAR is available on the BIS website and on the e-CFR (Electronic Code of Federal Regulations) and is updated as needed. The Consolidated Screening List (CSL) is a list of parties for which the United States Government maintains restrictions on certain exports, reexports or transfers of items. The CSL consolidates eleven export screening lists of the Departments of Commerce, State and the Treasury into a single data feed as an aid to industry in conducting electronic screens of parties to regulated transactions. Exporters are encouraged to classify their items prior to export, as well as consult the CSL to determine if any parties to the transaction may be subject to specific license requirements.

Temporary Entry

There are arrangements for the temporary import of goods for alteration or repair; goods for public exhibition, trial or entertainment; specialized goods and equipment not normally available in Fiji to be used solely in connection with a particular project; and goods for use by temporary residents. The Fiji Revenue and Customs Service or a local customs agent must be contacted prior to the arrival of such goods.

Prohibited and Restricted Imports

Prohibited imports include counterfeit notes and coins, weapons, illicit and narcotic drugs, and pornography. Restricted goods will require the relevant licenses and permits from government departments and authorities before goods can be cleared from customs control. The Biosecurity Authority of Fiji (BAF) regulates all food and animal products entering Fiji and has stringent and costly point-of-origin inspection and quarantine requirements for foreign goods.

Contact Information
Chief Executive - Biosecurity Authority of Fiji
GPO Box 183601, Suva
Phone: (679)-332-512
Fax: (679)-338-5048
Email: info@baf.com.fj

Customs Regulations

All imports into Fiji are subject to classification by the Fiji Revenue and Customs Service, and rates of duty vary with the type of goods. Imports are subject to import duty (customs tariff, excise duties and VAT), which is levied in accordance with rates outlined in the schedule of customs tariffs. VAT is fixed at nine percent. Duty at a higher rate is generally levied on automobiles, ready-made garments, tobacco, liquor, beer, and wines. At the 2021-2022 Budget, the government raised tariffs on pipes (steel, galvanized, stainless steel), egg trays, woven bags, but lowered duties on dairy products, transmission and graphic equipment, spare parts for electrical equipment.

Fiji Revenue and Customs Service
Standards for Trade

Overview

In 1992, the Department of National Trade Measurement and Standards (DNTMS) was established by the Trade Standards and Quality Control Decree 1992 to ensure that Fiji’s products and services standards are aligned to international standards.

The DNTMS forms technical committees of representatives from government, businesses, industry, academia and consumers. The committee through a process of consensus develops standards for Fiji, and makes recommendation to the Minister for Commerce, Trade, Tourism, and Transport, on Fiji standards specifications, including processes, practices, quality, composition, labeling, and codes of practices.

Ministry for Commerce, Trade, Tourism, and Transport

Standards

There are 11 mandatory standards (technical regulations) and 75 voluntary standards in place, covering areas such as building and building material, telecommunication cabling, occupational health and safety, and electrical installation. However, the DNTMS has a Memorandum of Understanding with Standards Australia International and the majority of the standards were adopted from Standards Australia as best practice standards. The Department of National Trade Measurement & Standards is a full member of the International Organization for Standardization (ISO) and the Pacific Area Standards Congress, and is affiliated with the International Electrochemical Commission (IEC).

Testing, Inspection and Certification

There are no conformity assessment bodies. The National Trade Measurement Laboratory is the only national metrology laboratory. However, manufacturers needing products tested send them to accredited laboratories in Australia or New Zealand, or to the University of the South Pacific’s Institute of Applied Science (USP/IAS) laboratory, which is ISO 17025 certified. Water bottled in Fiji must be accredited. The Bottled Water Standard requires that facilities bottling water in Fiji provide test results from approved laboratories for accreditation.

The Ministry of Commerce, Trade, Tourism, and Transport as part of its export strategy issues the “Fijian Made” brand license for products that comply with local product content as per the Industry Emblem Decree and Regulations 2011. The brand categories, aimed at promoting and raising the profile of Fijian made products locally and internationally, include Fijian Made, Fijian Product, Fijian Packed, Fijian Crafted, Fijian Grown, Fijian Assembled, Fijian Designed, and Fijian Sewn. By 2018, a total of 591 companies, and over 3,639 products were certified to carry the Fijian Made logo.

Publication of Technical Regulations

All technical regulations are published in the Fiji Islands Gazette and available on the Ministry of Commerce, Trade, Tourism and Transport website. Proposed technical regulations are circulated widely to relevant stakeholders for review. The standard development process takes a minimum of 12 months to publish the standard, with national standards reviewed after every 5 years.

Contact Information

Department of National Trade Measurement and Standards
Ministry of Commerce, Trade, Tourism and Transport
Members of the World Trade Organization (WTO) are required under the Agreement on Technical Barriers to Trade (TBT Agreement) to notify to the WTO proposed technical regulations and conformity assessment procedures that could affect trade. Notify U.S. (www.nist.gov/notifyus) is a free, web-based e-mail registration service that captures and makes available for review and comment key information on draft regulations and conformity assessment procedures. Users receive customized e-mail alerts when new notifications are added by selected country or countries and industry sector(s) of interest and can also request full texts of regulations. This service and its associated web site are managed and operated by the USA WTO TBT Inquiry Point housed within the National Institute of Standards and Technology, part of the U.S. Department of Commerce.

Trade Agreements

Fiji manufacturers enjoy preferential access under a number of multilateral and regional trade agreements. The Developing Country Preferences Scheme grants preferential access for Pacific island exports into Australia. The Melanesian Spearhead Group (MSG) grants market access to MSG member countries including Papua New Guinea, Solomon Islands and Vanuatu. Fiji is a party to the Pacific Island Countries Trade Agreement (PICTA). Fiji ratified the Economic Partnership Agreement (EPA) with the E.U. on trade in goods in 2014. Negotiations continue for a Comprehensive EPA to secure preferential access to the E.U. market for some Fiji exports (with a notable exception being sugar) and implementation of the EPA.

The U.S. signed a U.S.-Fiji Trade and Investment Framework Agreement (TIFA) in 2020 and held talks in February 2021. The TIFA provides a strategic framework and principles for dialogue on trade and investment issues between the U.S. and Fiji authorities.

Licensing Requirements for Professional Services

To practice in Fiji, lawyers are required to obtain practicing certificates from the Chief Registrar in the Judicial Department. Accountants are also required to obtain membership with the Fiji Institute of Accountants (FIA). The FIA recognizes 18 overseas accounting institutes, including the American Institute of Certified Public Accountants, and may consider membership in the FIA.

Selling U.S. Products and Services

Distribution & Sales Channels

Two major channels of distribution are available to U.S. exporters. The first is via large, well-established trading companies with strong financial resources and sales volumes, as well as an extensive presence in many industrial sectors. In many cases, these large traders form marketing or production joint ventures with foreign firms when demand volumes are sufficient to justify local investment. In highly specialized markets, these companies rely on agents who have appropriate contacts or expertise. The second available channel is through small importers that generally specialize in one line of business where they have proven networks and market know-how.
It is advisable for U.S. companies to perform careful due diligence to assure that a potential agent or distributor is financially healthy and able to fulfill obligations.

**Using an Agent or Distributor**

Some local companies are interested in establishing agent or distributor arrangements with foreign companies.

The General Contract Law governs agreements between foreign suppliers and local agents and distributors. It establishes a buyer-seller relationship under a sale of goods contract between the two parties. It is the responsibility of the local agent or distributor to apply for the necessary licenses and import permits.

New market entrants should seek an established agent/distributor with good local contacts, market expertise, and technical know-how. U.S. exporters must often provide training, marketing, and technical support. Frequent contact with local representatives is critical, especially at the outset, in order to build a good working relationship based on shared values and objectives, and to ensure there are no misunderstandings or communication problems.

The Economic/Commercial Section at the U.S. Embassy in Suva can provide valuable assistance in locating potential representatives and acquiring preliminary market data. The staff can also help companies identify agents and distributors.

**Establishing an Office**

The primary forms of business organizations in Fiji are companies, including branch offices, joint ventures, partnerships, and trading trusts. U.S. firms may elect either to incorporate a subsidiary or establish a branch office by registering as a foreign company. The Companies Law requires U.S. firms to be registered and under the Foreign Investment law, to obtain a foreign investment registration certificate.

**Franchising**

There are no restrictions placed by the Fiji government on franchising arrangements. U.S. firms operating in Fiji under franchise agreements include Independent Grocers Alliance (IGA), Gloria Jean's Coffee, and McDonalds. The small market size imposes some limitations in Fiji, but many companies use Fiji as an export base to other Pacific Island countries. There are also U.S. branded/franchised hotels including Marriott, Doubletree, Hilton, Radisson Blu, Westin, Sheraton, Auberge and Holiday Inn. U.S. branded car rental companies include Avis, Budget, Dollar, and Hertz operate in Fiji.

**Direct Marketing**

Direct marketing is used widely in the sale of cosmetics, health products, cleaning and household consumer goods, electrical appliances, and in service businesses. Major U.S. brands in Fiji include General Mills, Coca-Cola, Colgate-Palmolive, Johnson and Johnson, and Procter and Gamble.

**Joint Ventures/Licensing**

Joint ventures and licensing agreements are important market entry strategies for U.S. exporters. Joint-venture partnerships offering technology transfer, specialized expertise, and training opportunities are effective mechanisms to reduce costs.

Some Fiji firms are actively seeking U.S. joint-venture partners who can provide much needed capital, as well as technical, marketing, and management skills, to a business relationship. Fiji firms,
generally, offer assets, local vendor and government contacts, and established business relationships throughout the Pacific region.

The Economic/Commercial Section at the U.S. Embassy in Suva can provide assistance in locating potential joint-venture partners for U.S. companies.

**Express Delivery**

A number of internationally-recognized express delivery and courier services are available and have agents in Fiji, including FedEx, UPS, DHL, and TNT. The estimated time of delivery between large U.S. cities and Fiji is more than three to four working days for small packages due to the pandemic and the disruption of flights. Under Fiji Customs regulations, a commercial invoice is a requirement for all commercial imports and exports.

**Due Diligence**

Businesses and investors can hire professional accountancy companies to do due diligence and check bona fides of any company with which they plan to work. There are a number of reputable accountancy firms which provide this service. Other resources include business organizations such as the Fiji Chamber of Commerce and Industry, the Fiji-U.S. Business Council (American Chamber of Commerce), and Investment Fiji.

**eCommerce**

The eCommerce Innovation Lab (EIL) is a national office within the U.S. Field that positions the U.S. Commercial Service as a pacesetting resource for U.S. businesses through empowering client-facing staff with a baseline understanding of digital trade, enabling quicker response to client needs by providing value-added digital client counseling. This helps the International Trade Administration to adapt alongside industry in remaining ahead of the curve on client service, trade promotion, and trade policy development through more knowledgeable and effective collaboration.

EIL has created a U.S. Field-based client digital strategy counseling process that focuses on these key concepts:

- **eCommerce is a sales channel** crossing all industries that sell or promote brand awareness online. eCommerce as a sales channel is part of a businesses' B2B and/or B2C digital strategy;
- **A digital strategy** addresses the basic needs of a business required to succeed in cross-border e-commerce sales channels. Our counseling process focuses on identifying these needs;
- **eCommerce Key Performance Indicators** allows businesses to understand where their digital efforts are paying off;
- **eCommerce Business Service Provider Directory (BSP)** provides much needed follow-up to our digital strategy recommendations that will help the client to succeed in overseas markets;

**Assessment of Current Buyer Behavior in Market**

Fiji’s National E-commerce Assessment report noted a number of challenges hampering the country’s development of the e-commerce sector including inadequate e-commerce strategy, high broadband costs, customs clearance issues, lack of access on internet in rural areas, low access to finance and the slow uptake of mobile online payment solution. The Fiji Government announced a number of initiatives during the 2021-2022 Budget to help micro, small, medium enterprises (MSMEs) access the e-commerce platform. To support investment in e-commerce and the country’s digital and telecommunication infrastructure, incentives include a 200% tax deduction for investments in the
development and upgrade of online shopping platforms, and 30-year tax holidays for companies investing more than $18.4 million (F$40 million) in network cabling infrastructure development.

Vodafone
Digicel
Reserve Bank of Fiji
Pacific Islands Forum Secretariat

Local eCommerce Sales Rules & Regulations
Since 2019, a number of online marketplaces were launched including Multi Drua, and Post Fiji e-Shop, that aims to connect customers in Fiji and international customers. However, the Fiji government does not have a comprehensive e-commerce policy and framework. The cost of e-commerce for MSMEs and establishing a payment portal with commercial banks is a challenge. Commercial banks require around $14,710 (AUD 20,000) to set-up a payment portal.

Local eCommerce Business Service Provider Ecosystem
The Fiji Government announced a number of incentives during the 2021-2022 Budget to help micro, small, medium enterprises (MSMEs) access the e-commerce platform. Vodafone, Fiji’s largest mobile network, and the Reserve Bank of Fiji collaborated to launch in 2020, Vitikart, an online market place that allows MSMEs to sign up as a merchant and offer their products for sale online. The Vitikart eCommerce Platform is on Vodafone’s internet payment gateway and integrated with the local M-PAiSA mobile wallet, Visa and Mastercard payment systems. This means that businesses signing up on Vitikart will not be required to make any investment in any online payment solutions to offer their products for sale online.

Selling Factors & Techniques

Trade Promotion and Advertising
The majority of Fijians receive information from radio and television. Advertising and trade promotions are important marketing tools in Fiji. In particular, foodstuff and consumer products should be promoted heavily via a full range of mass media.

There are three commercial free to air stations (Fiji TV, Mai TV, and FBC TV) and one pay provider (Sky Pacific) on which companies can promote and advertise their products and services. The two main radio broadcasters, Communications Fiji and Fiji Broadcasting Corporation, operate a total of eleven radio stations broadcasting in English and Fiji’s other two main vernacular languages, the indigenous iTaukei language and Hindi.

There are two major English-language newspapers, ”The Fiji Times,” and ”The Fiji Sun,” which largely cater to an urban readership.

Companies in Fiji also use three business monthly magazines, “Pacific Business,” “Islands Business,” and “Business Melanesia” for advertising. There are a several lifestyle magazines including Marama, Turaga, and Mai Life, which also accept paid advertisements.

Special promotional campaigns are frequently conducted at local shopping centers. Movie theater and television advertisements are also means of reaching the public.
There are two major trade shows held annually where products can be promoted: “Showcase,” a consumer fair held in Suva that is organized by Communication Fiji’s Total Event Company, and the hospitality industry show “HOTEC” targeting hotels and resorts which is organized by the Fiji Hotel and Tourism Association.

Fiji Times
Fiji Sun
Communications Fiji
Fiji Broadcasting Corporation Ltd
Fiji TV
Mai TV

Pricing
The Fiji Competition and Consumer Commission monitors competition in the market and controls the prices of basic goods, which include food items, fuel, electricity, and hardware products. Prices of products not monitored by the Commerce Commission are determined by the market. The Value-Added tax (VAT) is nine percent and is applicable on all imports.

Sales Service/Customer Support
All businesses operating in Fiji need to provide warranty service, maintenance contracts for parts and supplies, and return policies.

Local Professional Services
The services of a local attorney are generally required for executing agreements and setting up offices in Fiji. Normally paperwork can be completed quickly and easily. Law firms also advise on the various types of business organizations that can be established, assist in registering firms, and in obtaining permits. Lawyers are needed for registering patents and trademarks and for taking other legal measures to protect products from intellectual property right infringements. Most commercial and civil law is based on the British system. A list of practicing Fijian accountants can be found on the Fiji Institute of Accountants website.

Principal Business Associations
The Fiji Commerce and Employers Federation (FCEF) is the premier private sector organization in Fiji. Any organization that is registered as an employer with the country’s pension fund, the Fiji National Provident Fund (FNP), is eligible to be a member. The FCEF is the private sector representative in the tripartite arrangement with government and the trade unions to manage labor relations in Fiji, and functions through 10 industry councils.

The Fiji-USA Business Council offers members a chance to make contacts and promote trade between Fiji and the USA.

Limitations on Selling U.S. Products and Services
A number of investment activities are reserved for Fiji nationals or subject to restrictions. There are 17 reserved activities and five restricted activities. Full listings of reserved and restricted areas can be found on Investment Fiji or the bizFiji website.
Trade Financing

Methods of Payment: Fiji has a stable financial and banking system, but the international services division of a U.S. or Fiji bank should be consulted for recommendations regarding the best method for a given transaction.

Options for payment include:

- Telegraphic Transfers
- Cash in Advance
- Commercial Bills of Exchange
- An Open Account
- Letters of Credit

A letter of credit is a very secure form of payment and is used frequently for new or unknown clients perceived to offer relatively more risk of nonpayment.

For more information about the methods of payment or other trade finance options, please read the Trade Finance Guide.

Banking Systems:
Fiji has a developed banking system controlled by the Fiji Government through the Reserve Bank of Fiji (RBF). The Reserve Bank regulates the Fijian monetary and banking system, manages note issues, administers exchange controls, and provides banking and other services to the government. It provides and regulates trading-bank liquidity via the government's monetary policy. In addition to managing the credit environment, the RBF has responsibility for foreign exchange controls and management of Fiji's international reserves.

There are six commercial banks licensed by the Reserve Bank of Fiji and with established operations in Fiji. There are also non-bank financial institutions (NBFI) providing financial assistance and borrowing facilities to the commercial community and to consumers. The non-bank institutions are: the Fiji Development Bank, the Fiji National Provident Fund (FNPF), the Housing Authority, the Credit Corporation, the Merchant Finance & Investment Company Ltd., and a number of insurance companies.

The commercial banks are:

- ANZ Banking Group Limited, P.O. Box 179, Suva, Phone: (679)-321-3000; Fax: (679) 321-3756
- Bank of Baroda, P.O. Box 47, Suva, Phone: (679)-331-1402, Fax: (679)-330-2510
- Bank of South Pacific (BSP), Private Mail Bag, Suva, Phone: (679) 331-4400; Fax: (679)-330-3448
- Bred Bank, Private Mail Bag, Suva, Phone: (679)-310-0222; Fax: (679) 310-0555
- HFC Bank, P.O. Box 161, Suva, Phone: (679)-331-655
- Westpac Banking Corporation, P.O. Box 238, Suva, Phone: (679)-330-0666; Fax: (679)-330-1838

Principal credit financial institutions are:

- Credit Corporation, Credit House, 10 Gorrie Street, Suva, Phone: (679)-330-5744; Fax: (679)-330-5747
- Merchant Finance and Investment Co. Ltd, 91 Gordon Street, Suva, Phone: (679)-331-4955; Fax: (679)-330-0026
- Fiji Development Bank, 369 Victoria Parade, Suva, Phone: (679)-331-4866; Fax: (679)-331-4886
• Kontiki Finance, Level 5, Tappoo City Building, Thompson Street, Suva, Phone: (679)-330-3400; Fax: (679) 330-3401

Services provided by the banks include: lending, overdraft facilities, full-drawn advances, housing loans, leasing finance, personal loans, bankers opinion, credit card facilities, money transfers/remittances, trade finance, trade enquiries, letters of credit, documentary collections, traveler's checks, foreign-currency accounts, forward exchange (restricted to trade), and foreign currency loans (residential and trade).

The assets of all commercial banks in Fiji at the end of December 2020 totaled $5.2 billion (FJ$10.7 billion). Fiji’s foreign currency exposure policy places limits on banks’ net, foreign and open positions, and gross forward, foreign-exchange and sales contracts, in relation to an individual bank’s level of capital in Fiji.

**Foreign Exchange Controls:** Exchange control is administered by the Reserve Bank of Fiji through the Exchange Control Act and subsidiary legislation. Areas affected by exchange control include transactions in foreign currency, transfer of currency into and out of Fiji, transfer of property and securities out of Fiji, export and import transactions, and issue of shares or capital in locally registered companies to foreign investors. Investments from outside Fiji, overseas equity, loan investment into Fiji, and the flow of funds arising from commercial and private transactions into and out of Fiji are subject to exchange controls.

All commercial banks operating in Fiji, along with non-bank financial institutions, act as agents of the Reserve Bank in matters affected by the Exchange Control Act. Limited authority has been delegated to the commercial banks. The Reserve Bank maintains tight exchange controls on non-resident borrowing. The exchange control policy guidelines and delegated limits for authorized dealers can be found on the Reserve Bank of Fiji’s website.

**U.S. Banks and Local Correspondent Banks:**

- Australia and New Zealand Banking Group Limited (ANZ) - with Citibank, New York, for drafts; ANZ Bank, New York, for outward telegraph transfers; and Bank of America, San Francisco, for negotiation of checks.
- Bank of Baroda, New York branch
- BRED Bank (Fiji) – with Wells Fargo, for drafts, negotiation of checks, outward telegraph transfers.
- BSP Fiji – with Bank of America, San Francisco, CA
- Westpac Banking Corporation – with Bank of America, San Francisco, CA.

**Protecting Intellectual Property**

Copyright laws adhere to international laws, and while there are provisions for companies to register a trademark or petition for a patent in Fiji through the Office of the Attorney General, trademark and patent laws are outdated. Furthermore, the enforcement of these laws could be more robust.

In addition, note the following steps:

Check [www.STOPfakes.gov](http://www.STOPfakes.gov) to see if the Office of Intellectual Property Rights has an IP Snapshot for the country in question, and link to it if available.
In any foreign market companies should consider several general principles for effective protection of their intellectual property. For background, link to our article on Protecting Intellectual Property and Stopfakes.gov for more resources."

For more information, contact ITA’s Office of Intellectual Property Rights Director, Stevan Mitchell at Stevan.Mitchell@trade.gov.

**Selling to the Public Sector**

**Selling to the Government**

Fiji is not a party to the WTO Government Procurement Agreement. The Fiji Procurement Office of the Ministry of Economy has an online procurement process for goods, services and works valued above $23,041.48 (F$50,000) through its E-tendering website. Potential suppliers may register on the website for free notifications on tenders, and requests for expression of interest and quotations. Requests for proposals and tenders are often published in the Fiji Sun newspaper and government publications. The Fiji Road Authority that manages the country’s roads and bridges manages its own procurements, while the government’s Information Technology and Computing (ITC) Services is responsible for information technology procurements.

Multilateral development banks such as the World Bank and the Asian Development Bank, and development partners including Australia, Japan, Korea, provide financing for public works projects.

U.S. companies bidding on Government tenders may also qualify for U.S. Government advocacy. A unit of the U.S. Commerce Department’s International Trade Administration, the Advocacy Center coordinates U.S. Government interagency advocacy efforts on behalf of U.S. exporters bidding on public sector contracts with international governments and government agencies. The Advocacy Center works closely with our network of the U.S. Commercial Service worldwide and inter-agency partners to ensure that exporters of U.S. products and services have the best possible chance of winning government contracts. Advocacy assistance can take many forms but often involves the U.S. Embassy or other U.S. Government agencies expressing support for the U.S. bidders directly to the foreign government. Consult Advocacy for Foreign Government Contracts for additional information.

**Financing of Projects**
The Fiji government has invested heavily in upgrading road infrastructure and bridges. Infrastructure development is financed through a combination of grants and loans. Concessional loans from the Export-Import Banks of China and Malaysia and the European Investment Bank have funded road and bridge construction, and water projects throughout the country. Loans from the Asian Development Bank (ADB) were also expanded to improve water and sanitation in urban areas, and road infrastructure. In January 2021, the World Bank launched its first Country Partnership Framework (CPF) for Fiji (2021-2024) and expects to finance over US$210 million over the next four years in projects to support implementation of the CPF.

According to the Fiji government’s 2021-2022 Budget, the government is collaborating with bilateral and multilateral development partners for projects around $3.1 million in disaster risk management, improving rural water and water efficiency, waste management, and bridge reconstruction, and a $0.2 million energy financing project. Allocations for the maintenance of road assets, upgrade and replacement of bridges exceed US$46.1 million.

**Multilateral Development Banks and Financing Government Sales.** Price, payment terms, and financing can be a significant factor in winning a government contract. Many governments finance
public works projects through borrowing from the Multilateral Development Banks (MDB). A helpful guide for working with the MDBs is the Guide to Doing Business with the Multilateral Development Banks (PDF). The U.S. Department of Commerce’s (USDOC) International Trade Administration (ITA) has a Foreign Commercial Service Officer stationed at each of the five different Multilateral Development Banks (MDBs): the African Development Bank; the Asian Development Bank; the European Bank for Reconstruction and Development; the Inter-American Development Bank; and the World Bank.

Learn more by contacting the:

- Commercial Liaison Office to the Asian Development Bank
- Commercial Liaison Office to the World Bank

Business Travel

Business Customs: Business in Fiji tends to be conducted in a less formal manner than in many other countries. The use of first names is common. Business meetings often begin with small talk and sometimes proceed more slowly than an equivalent meeting in the United States. It is advisable to reconfirm business appointments and meeting arrangements. However, U.S. businesspeople should not be unduly surprised when kept waiting beyond scheduled times. In the government and financial sector, men usually wear collared shirts and ties during work hours. Very casual attire, including shorts, should be avoided. Evening functions are normally informal, unless otherwise specified. Many offices wear Bula/Aloha shirts on Fridays.

Fiji adopts a relatively conservative approach toward Sunday religious observance. A number of shopping centers in major urban areas in Suva, Nadi, and Lautoka are only open for a limited number of hours on Sunday, if at all. There are sizable minorities of Hindus and Muslims in the population who have special religious observances regarding food and drink.

Fiji uses the metric system of weights and measures. Dates are written in the order of day, month, year (for example, 10 January 2021 or 10/01/21). In writing numbers, commas denote thousands and periods denote fractions as follows: $1,000.50, as in the United States.

Travel Advisory: State Department Fiji Travel Advisory

Visa requirements: A passport valid for at least six months beyond the intended period of stay, a ticket for return or onward travel, and proof of sufficient funds to cover travel expenses are required for entry into Fiji. Entry visas are granted on arrival for a stay of up to four months for U.S. nationals. Business travelers do not require special visas to visit Fiji. Visas may be extended for up to six months on application to the Department of Immigration in Suva, Lautoka, or Nadi. Those wishing to reside and work in Fiji, even on a temporary basis, require proper authority to do so before arrival. In most cases, prospective employers will make necessary arrangements to sponsor such people.

U.S. Companies that require travel of foreign businesspersons to the United States are advised that security evaluations are handled via an interagency process. Visa applicants should go to the following link(s): State Department Visa Website

Currency: The Fiji dollar is the basic unit of currency. Other currencies may be exchanged at hotels, banks, and foreign exchange counters. Credit cards are accepted at most hotels, restaurants, and shopping areas. ATMs and EFTPOS machines can also be found in most of the urban areas. Currency over F$10,000 ($4,608) must be all declared by travelers on arrival in Fiji.
**Telecommunications/Electronics:** Fiji’s telecommunication systems are fairly well developed, though costly. Fiji has international connectivity through satellite and the Southern Cross Cable fiber optic network. The high speed network can deliver a 240Gbps (capacity of submarine cable system) and a direct and secure bandwidth from Australia, New Zealand, and Hawaii.

Mobile phone service is the most popular means of communication but may provide limited connectivity outside urban areas or on the outer islands. The three mobile service providers include Vodafone Fiji, Digicel, and Inkk Mobile, providing 3G/4G long-term evolution mobile technology for data, voice and text services. SIM and customer registration is mandatory in Fiji as part of government regulations. Wi-Fi is also available in most major resorts and hotels.

Telecom Fiji Limited (TFL) is one of the largest facilities-based providers of fixed line communications and network services in Fiji. Its 4G+ network compliments its fixed broadband or fixed line infrastructure. The range of products and services offered by TFL include data networking services, managed services, colocation, cloud services and voice products.

Household electrical current is 220 volt, 50 cycle and the plugs are three pronged, as used in Australia and New Zealand.

**Transportation:** Due to current COVID-19 related restrictions, Fiji’s border is closed, and commercial transportation is not available for U.S. business travelers to Fiji. The restrictions has also disrupted air transportation schedules for international flights to/from Fiji as well as domestic travel. Domestic air and sea travel from Viti Levu to the outer islands is also limited. The lifting of border restrictions remains uncertain, although Fiji government authorities are targeting the reopening of Fiji borders’ to international visitors by December 1, 2021.

Fiji’s national carrier, Fiji Airways, has temporarily suspended scheduled flights to the six Pacific island nations it serves as well as New Zealand, Australia, Japan, Hong Kong, Singapore and the United States. Fiji Airways also offers code share flights with American Airlines between Fiji and the United States. Other airlines that also serviced Fiji included AirCalin, Air New Zealand, Air Niugini, Air Vanuatu, Jetstar, Our Airline, Qantas, Solomon Airlines, and Virgin Australia. Fiji Link, a Fiji Airways subsidiary, is Fiji’s main domestic airline. Northern Air provides special chartered flights for specific inter-island routes. High fuel costs result in increasing inter-island fares.

Visitors to Fiji may drive on a valid driver’s license from their home country for the same class of vehicle or with a valid international driver’s license. Driving is on the left side of the road, however roads are poorly maintained. The maximum speed limit on the open road is 80 kilometers per hour (50 mph), and 50 kilometers per hour (30 mph) in urban areas. In specified areas for villages, schools and industrial areas, the speed limit may range from 20-30 kilometers per hour (12-19 mph). Rental cars are available from internationally known companies at Fiji’s gateway airports and in major urban areas, but arrangements should be made in advance.

**Language:** Fiji is an English-speaking country, although Fijian and Hindi are also widely spoken.

**Health:** Fiji is free from malaria, yellow fever, and many tropical diseases endemic to tropical countries. Typhoid, dengue fever, chikungunya, and leptospirosis have periodically been reported. The country has a fairly basic medical system, but emergency care and pharmacies are largely restricted to urban centers. Public health facilities are also often under-resourced and may lack basic supplies. Public medical facilities on Fiji’s main island Viti Levu are currently under high stress following the prolonged second wave of the COVID-19 virus impacting the country since April 2021.

Tap water in Suva, Lautoka, and the other major towns has been treated but may not always be safe to drink. Bottled water is readily available. Outside of these urban centers and large resorts, tap water should not be considered potable.
Local time, business hours, and holidays: Fiji is 12 hours ahead of Greenwich Mean Time (GMT). The government's business hours are 8:00am to 4:30pm, with an hour for lunch generally between 12 noon and 2:00pm, from Monday to Thursday. On Fridays, the government closes early at 4:00pm. However, private businesses are usually open from 8:30am to 5:00pm, while banks operate daily from 9:30am to 4:00pm. A list of holidays in Fiji can be found on the Fiji government's website. Include the local time zone, typical hours of business, and a list of holidays in the country/economy. A weblink to national holidays may also be used here instead.

Temporary Entry of Materials and Personal Belongings: Machinery and equipment imported for temporary use and a specific project and then re-exported, may be allowed as "Privileged Goods" on a check-in/check-out basis, without payment of normal duties. Security in the form of a cash or bond must be deposited with the Fiji Revenue and Customs Service at the time of importation. Upon re-exportation of such goods, the cash deposit will be refunded or bond cancelled.

Personal and household effects may be imported free of fiscal/excise duty, though this is subject to conditions set out by the Fiji Revenue and Customs Service. For the importation of personal motor vehicles, normal duties must be paid.

Investment Climate Statement (ICS)

The U.S. Department of State Investment Climate Statements provide information on the business climates of more than 170 economies and are prepared by economic officers stationed in embassies and posts around the world. They analyze a variety of economies that are or could be markets for U.S. businesses.

Topics include Openness to Investment, Legal and Regulatory systems, Dispute Resolution, Intellectual Property Rights, Transparency, Performance Requirements, State-Owned Enterprises, Responsible Business Conduct, and Corruption.

These statements highlight persistent barriers to further U.S. investment. Addressing these barriers would expand high-quality, private sector-led investment in infrastructure, further women's economic empowerment, and facilitate a healthy business environment for the digital economy. To access the ICS, visit the U.S. Department of State Investment Climate Statement website.

The Republic of Fiji has traditionally been the economic, transportation, and academic hub of the South Pacific islands, with trade and investment potential in infrastructure development, energy, mining, health, and agriculture. The impact of the COVID-19 pandemic and restrictions on international travel in 2020 plunged Fiji into its largest ever economic contraction. The government's latest forecast estimates the economy will contract by 4.0 percent in 2021. Recovery of the economy is contingent on the resumption of international travel in 2021 and continued government borrowing to sustain public expenditures.

The country's borders is closed and the COVID-19 Safe Economic Recovery Framework rules create significant hurdles for foreign investors who intend to travel to Fiji. Since March 2020, tourist arrivals declined 83.6 percent. Labor market conditions in 2020 deteriorated resulting in an estimated 115,00 out of the 360,000-person workforce losing their jobs. The Reserve Bank of Fiji estimate that remittances from Fijians working abroad will overtake tourism as the largest foreign exchange earner in 2020, growing about six percent to more than $320 million (FJ$652 million). Government revenues are estimated to decline by 50 percent, and total exports in 2020 are expected to fall by 23.9 percent.

Political Environment

For background information on the political and economic environment of the country, please click on the link to the U.S. Department of State Fiji website.