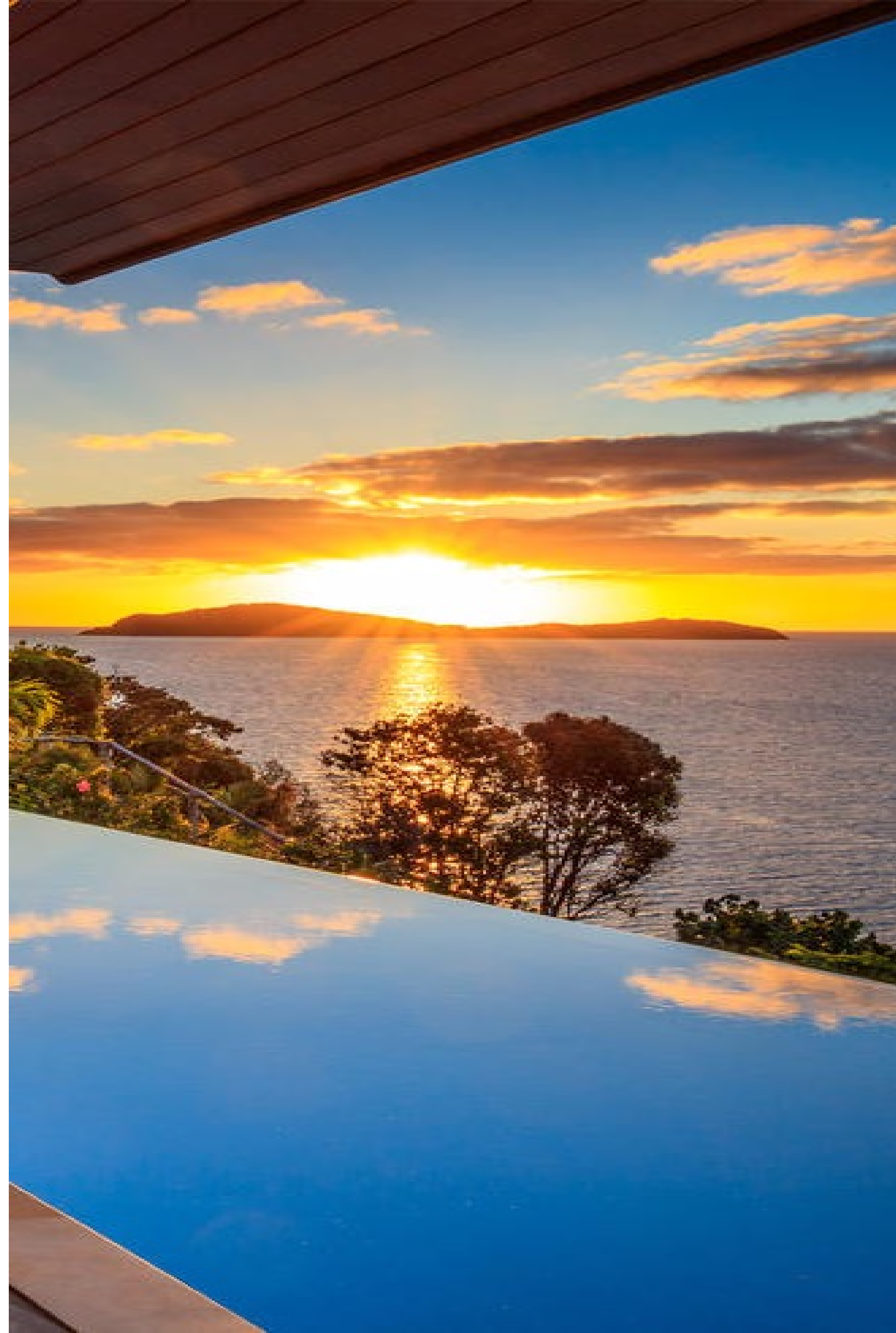




FIJI BUSINESS ROUNDTABLE

.....

PRESENTED BY
Mr. Kamal Chetty
Manager Investment & Trade
Investment Fiji
4 September 2019
Tokyo



OUR
Role

FIJI IN
—
Figures

INVESTMENT
—
Opportunities

OUR *Role*

Core Functions

As a statutory organization, Investment Fiji operates independently as the facilitation arm of the Fijian Government, providing services and assistance to promote and stimulate investments and exports.



EXPORT PROMOTION

Working with new and established exporters in upskilling and promoting their products & services overseas.



INVESTMENT FACILITATION

Enabling and assisting Investors to set up and grow through comprehensive after-care support.



INVESTMENT PROMOTION

Identifying the ideal fit between the economic benefit of Fiji and the business opportunity for the investor



INVESTMENT REGISTRATION

Issuing the Foreign Investment Registration Certificate.

Suva | Lautoka | Labasa



FIJI

in Figures

Investment **FIJI**





Real GDP 2019f
FJ\$7.4 b

Nominal GDP (2017)
FJ\$10.1 b

GDP Growth Rate
2.7% (2019f)



International Trade
2018

Total Export
Goods-FJ\$2.2bn
Services-FJ\$3.3bn

Total Import
Goods-FJ\$5.7bn
Services-FJ-\$1.5bn



Unemployment Rate
4.5% (2017)

Inflation
2.1% (2019)

Moody's Rating
Ba3



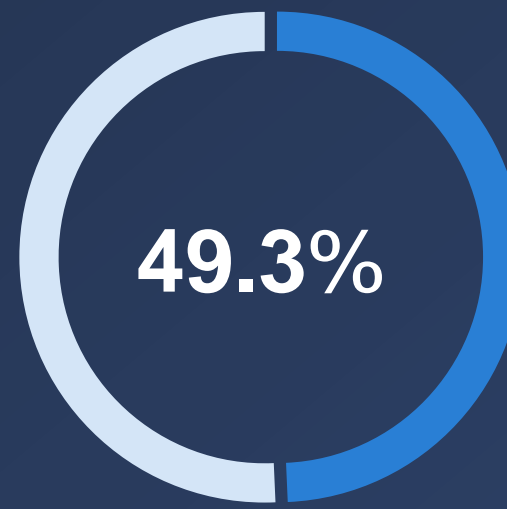
International Visitor Arrival
Growth 2017-2018

870,309 (2018)
3.3%

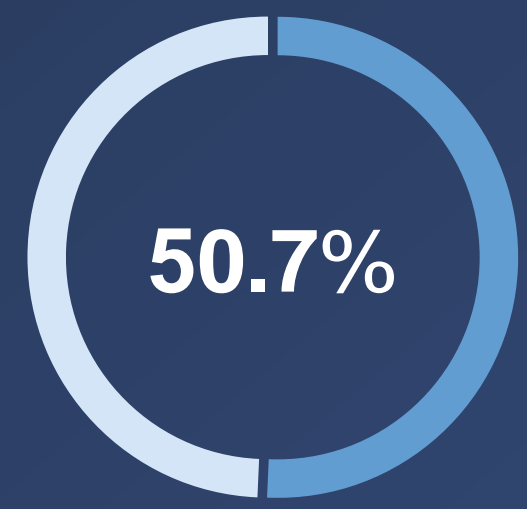
POPULATION

884,887

As of 2017



Female



Male

Population Growth Rate

0.6%

As of 2017

LABOUR
Force

392,148

2017

MEDIAN
Age

27.5 yrs

2017

POPULATION
Under 25 years

46.1%

2017

LITERACY
Rate

93.7%

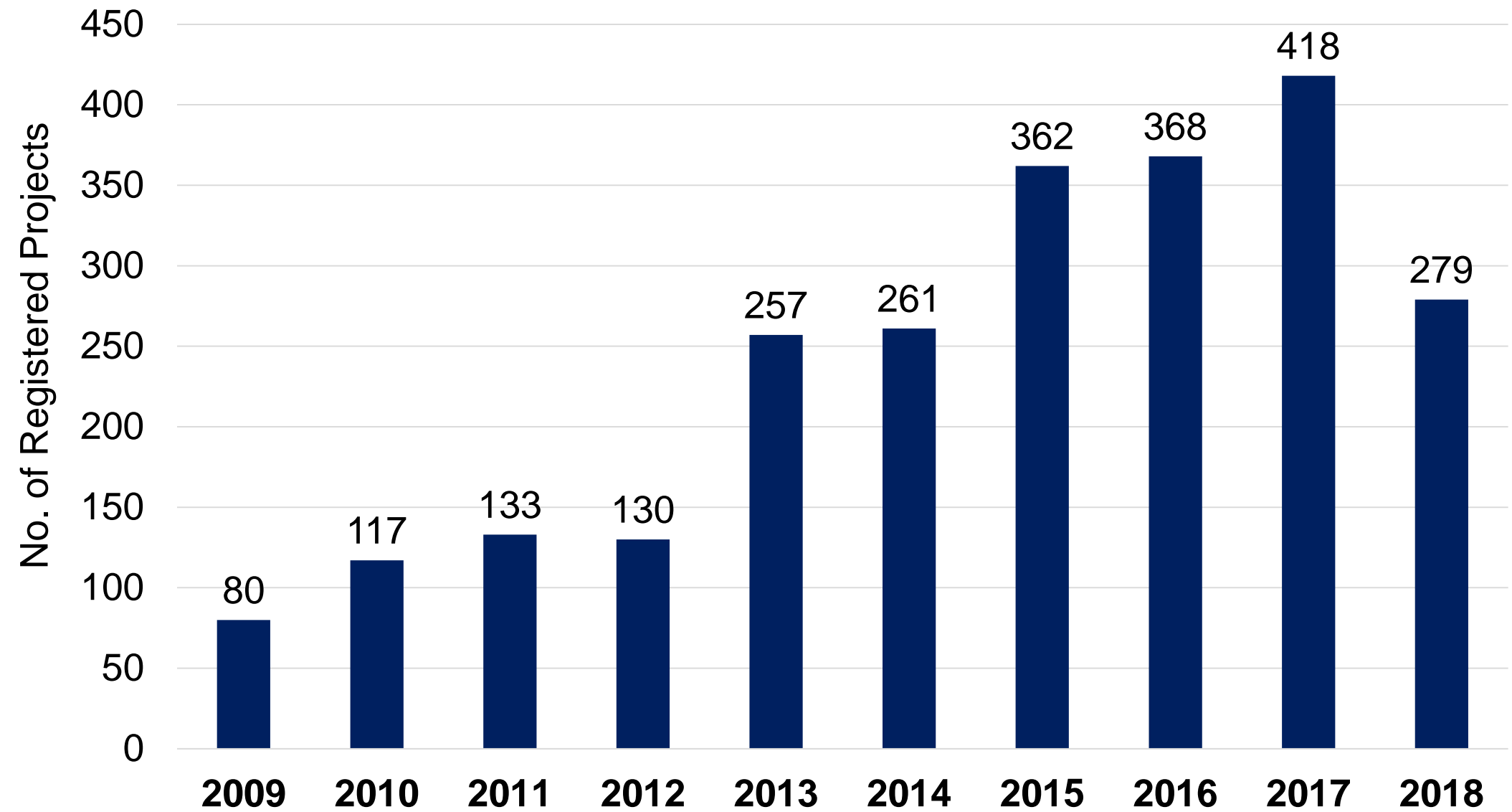
2016

Foreign Direct Investment

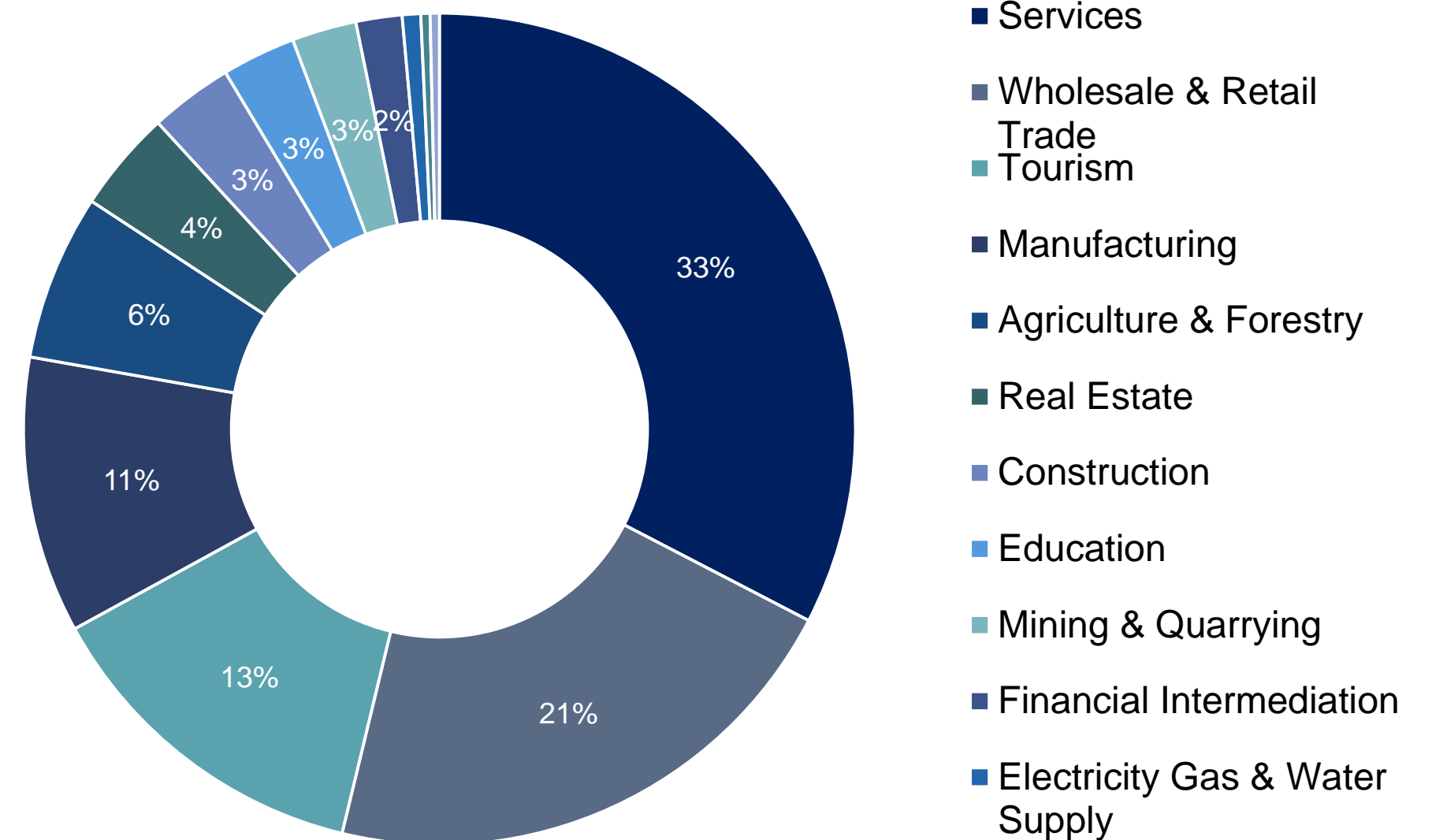
Registration by Numbers

Attracting foreign direct investment is importance to Fiji because of the many economic and social contributions it has to offer.

Growing Number of Foreign Projects



Foreign Project Registration by Sector, 2018

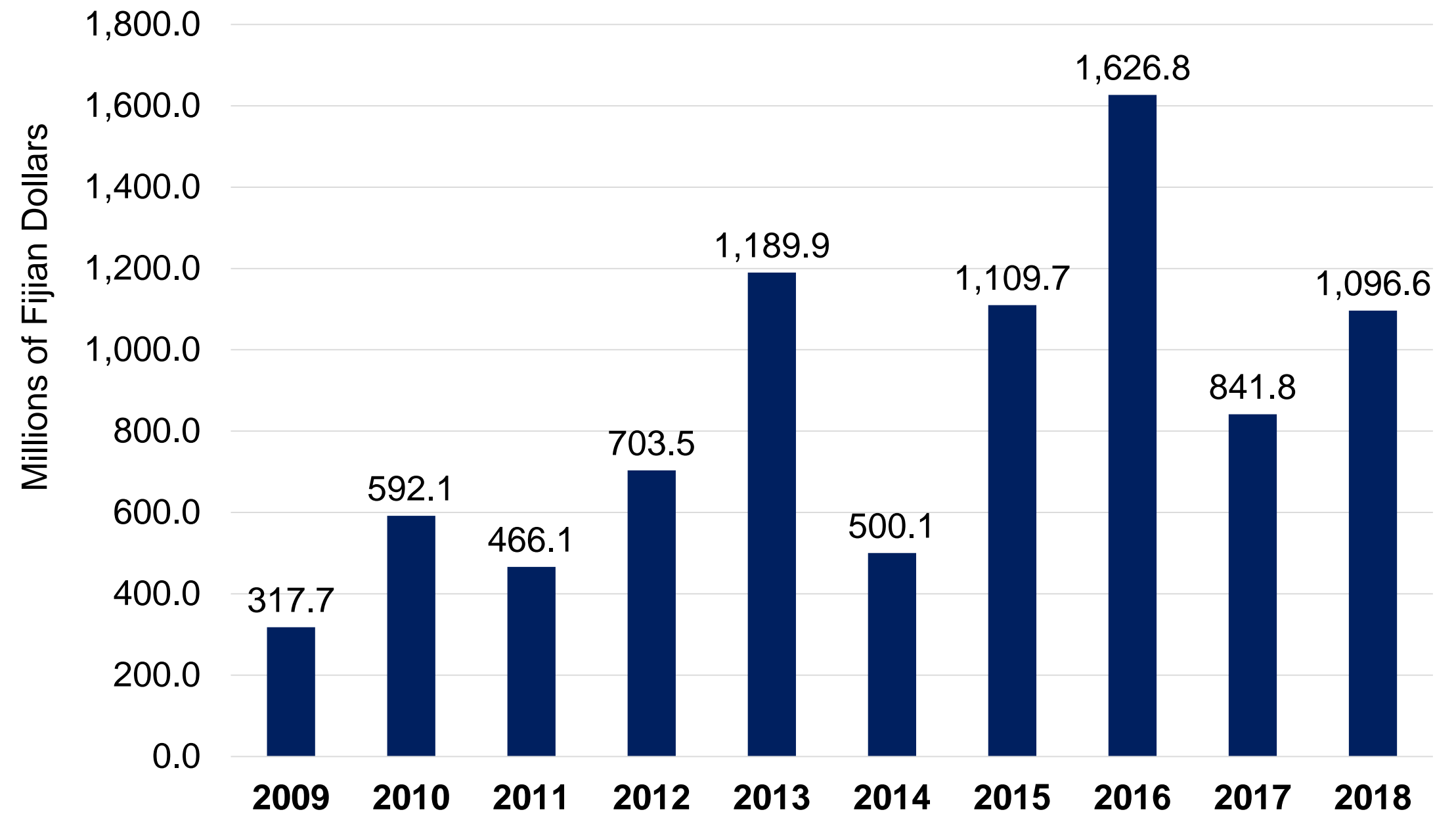


Foreign Direct Investment

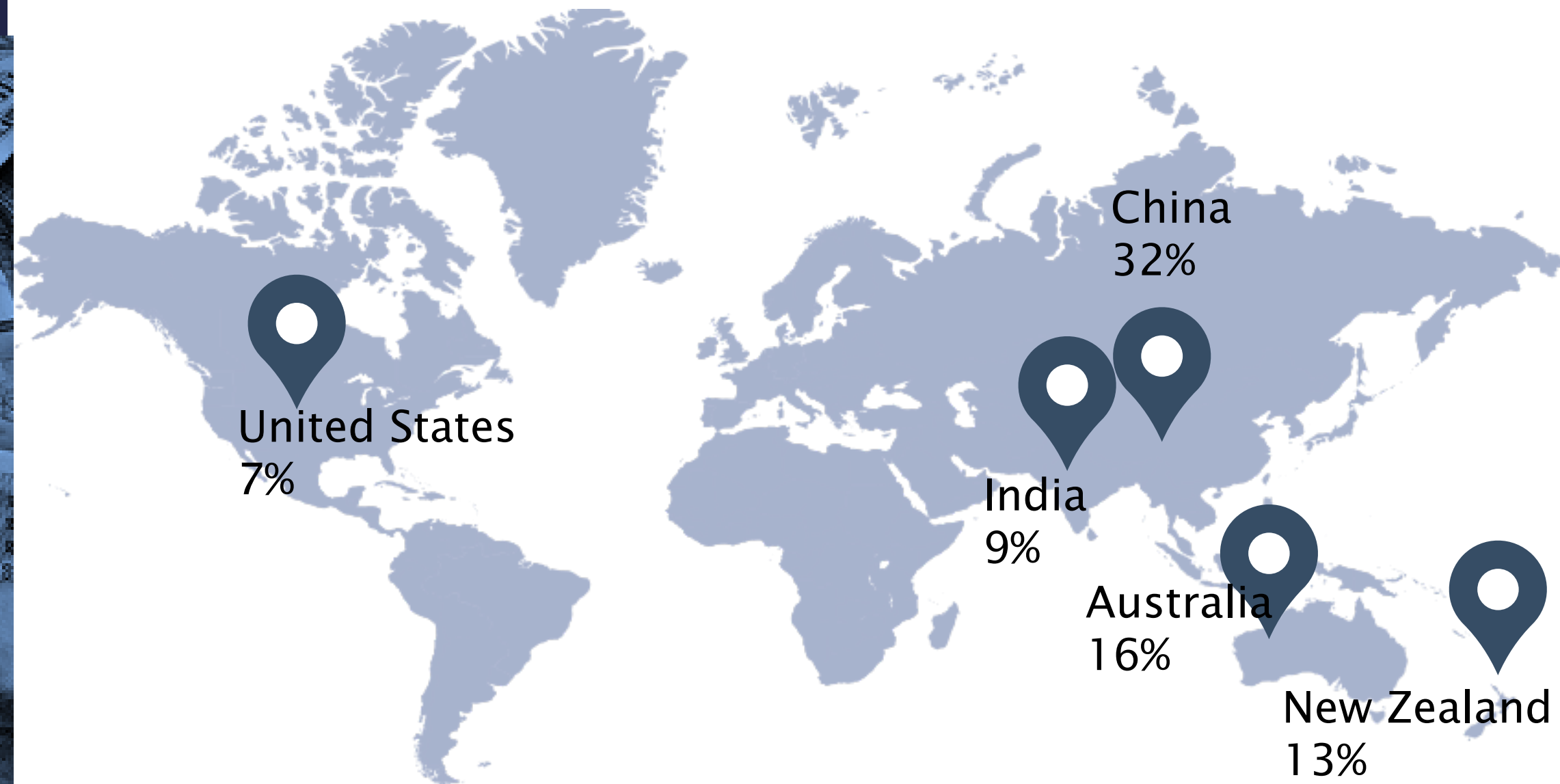
Registration by Value

Japanese has registered 23 projects in Fiji with a total proposed investment of \$24 million over the last 9 years.

Proposed Investment of Foreign Projects (\$m)



Foreign Projects by Major Countries-2018



Business Registration Process



[Go to website](#)

BUSINESS

SIMPLIFIED

BULA!

Business Registration Process



INVESTMENT --- Opportunities

As a statutory organization, Investment Fiji operates independently as the facilitation arm of the Fijian Government, providing services and assistance to promote and stimulate investments and exports.

Foreign Direct *Investments*

Incentive

**Fiji
Tax and Custom
Incentives**

Fiji has a stable economy with low levels of inflation, a strong banking sector, low tax rates, established trade agreements and a number of tax incentives to encourage investment and trade.



LOW CORPORATE TAX RATE

20% Corporate Tax Rate
10% CTR for companies listed on SPSE



TRADE AGREEMENTS

SPARTECA PICTA
MSGTA IEPA



STRONG BANKING SECTOR

ANZ and Westpac listed in the Top 30 of the Global Financial World's Safe Banks Index of 2017



WELL EDUCATED WORKFORCE

More than 94% Literacy rate



TAX FREE ZONES

Whole of West, North and Eastern Division, including Kadavu and Rotuma. Upcoming Economic Zone



DUTY EXEMPTIONS

Duty concessions on importation of raw materials and capital goods.



Agriculture Sector

I N V E S T I N F I J I

The agriculture sector contributes approximately 8.1% to GDP.

In 2018 a total of 18 Agricultural projects were registered at a proposed value of \$72 million.

Tax exemption is offered for new commercial agricultural farming and agro-processing.

Opportunities for foreign investors to lease or buy land.

Fiji is able to offer very low entry cost in agriculture business when compared to other countries.

Majority of exports concern Sugarcane, Taro (Dalo), Ginger, Pineapple, Papaya, Kava, Cassava

884,887 residents and over 800,000 tourists create a lucrative domestic market of over 1.6 million people.

Fiji offer lucrative investment opportunities, in commercial rice, beef, sheep, goat and dairy farming.

Fiji has great potential for value addition of niche agricultural produce, such as processing of virgin coconut oil, ginger, vanilla and cocoa.

Huge potential for aquaculture – prawn, beach de-mer and fish farming



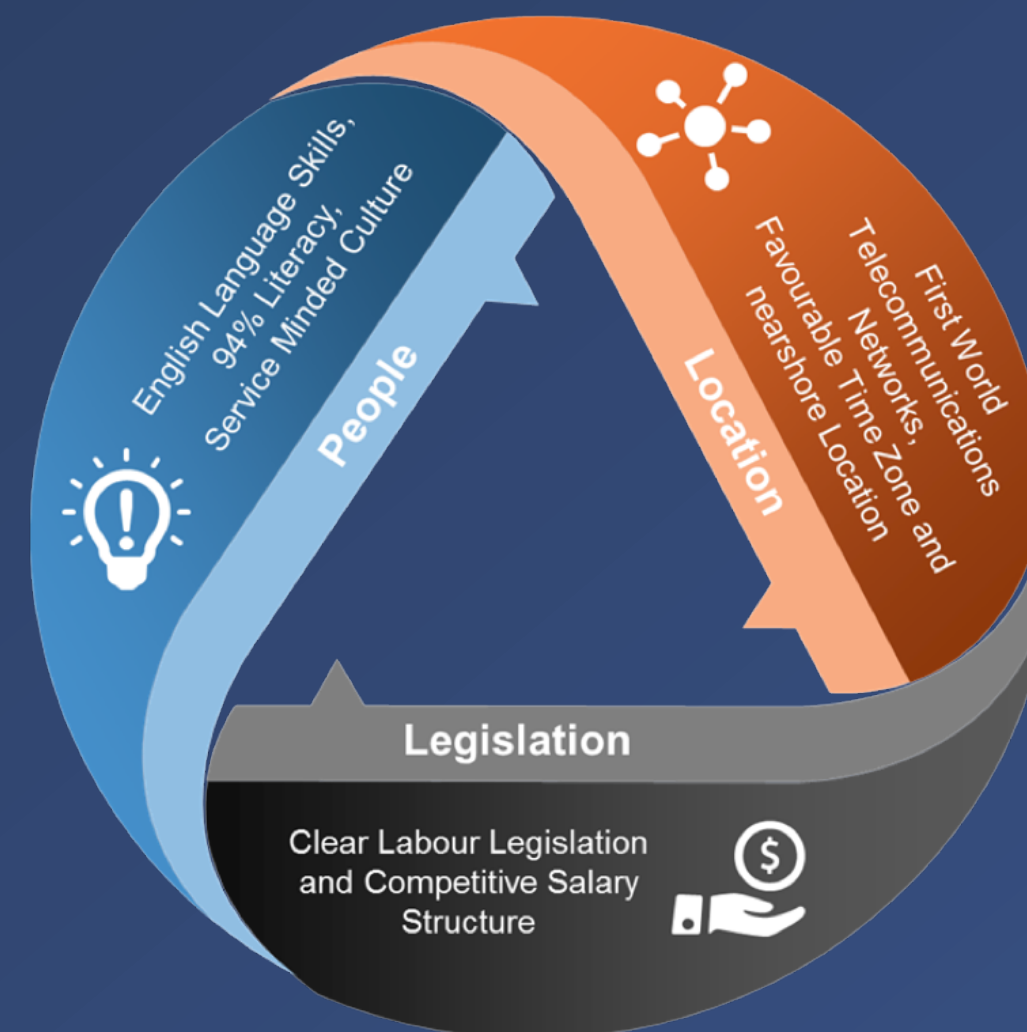
Fiji's cost effective near-shore location, advanced telecommunications infrastructure, natural English language skills and attractive labor rates act as positive impetus in attracting world class BPO and ICT organizations to Fiji.

A 250% tax deduction is applicable on any expenditure incurred by an eligible ICT company investing in Research and Development.

For small ICT start-ups, a 150% deduction on all start-up costs will be made available.

People :

- Work Culture
- 'Bula Spirit'
- Colonial Heritage
- Linguistic Ability
- Educational Levels
- 94% literacy Rate



Location:

- Time Zone
- GMT+12
- Overnight Processing
- IT Infrastructure
- Southern Cross Cable
- Hub of the Pacific

Legislation:

- Labour Legislation
- Labour Costs
- Tax Incentives

ICT & BPO Sector

I N V E S T I N F I J I



Tourism Sector

In 2018 tourist arrivals reached 870,309 with earnings increasing to \$2 bn.

Over 42% arrivals were Australian nationals followed by New Zealanders with 23%, USA with 10% and Chinese visitors at 6%.

In 2018 visitor numbers from New Zealand (198,718), USA (86,075) and Japan (11,903) were the highest ever in a given year. With the resumption of direct flights between Nadi and Narita three times a week, Japan recorded the highest percentage increase of 87.4%.

Tax Free for capital investment above FJD\$2,000,000 for a period of 13 consecutive fiscal years in a Tax Free Region (TFR).

The Fijian Tourism 2021 Development Plan aims to grow the country's tourism industry to \$2.2 billion with 930,000 visitor arrivals by the end of 2021.

Aside from the traditional holiday markets, opportunities exist within the MICE and Special Interest segments such as Sports Tourism and Yachting.

Fiji offers lucrative Hotel Industry incentives offered via the Fiji Revenue and Customs Authority under the Income Tax (Hotel Incentives) Regulations 2016.

I N V E S T I N F I J I

Tourism Sector

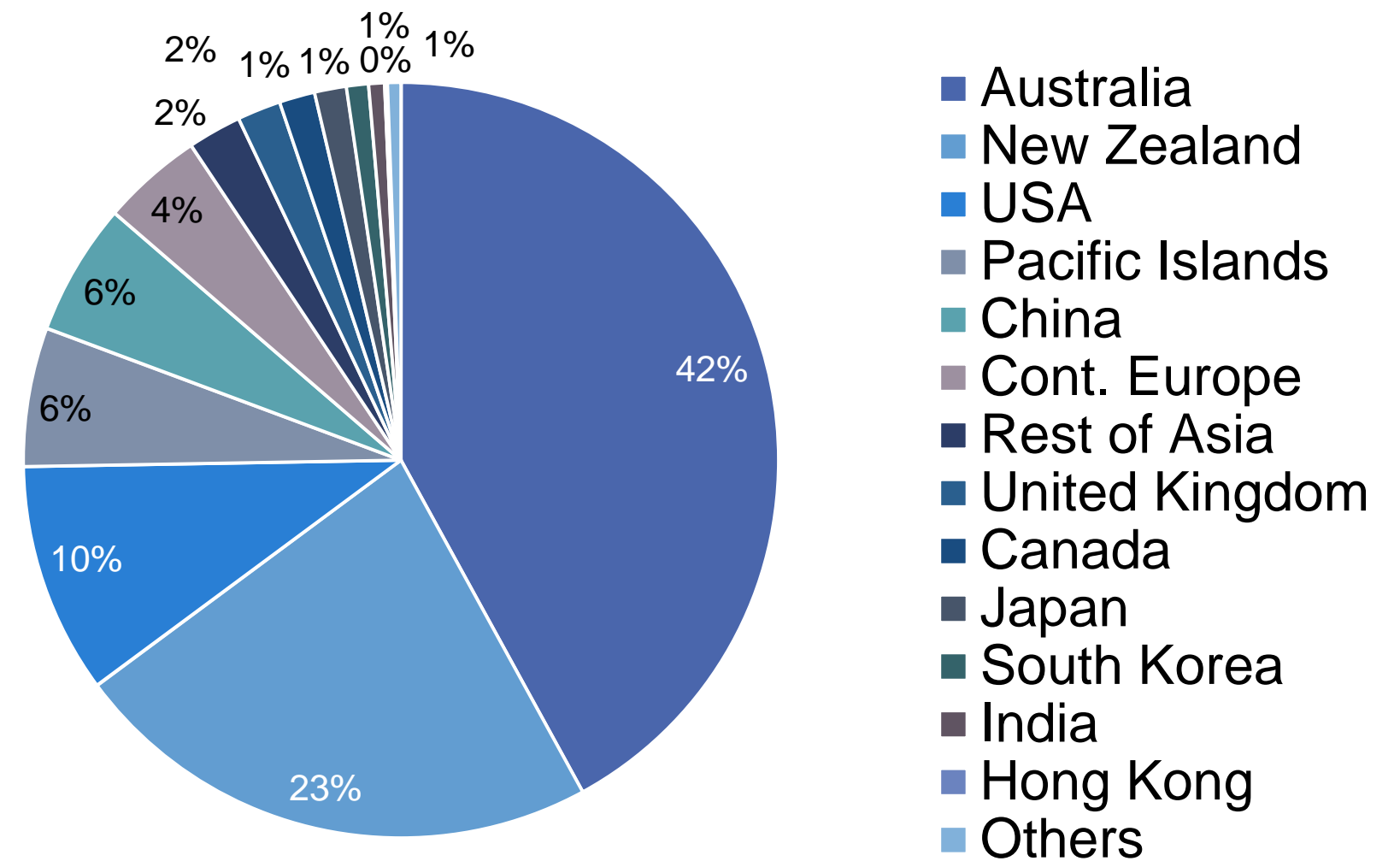
Highlights

Fiji's annual Visitor Arrival number reached a new high of 870,309 in 2018, recording a 3.3% growth from the previous year.

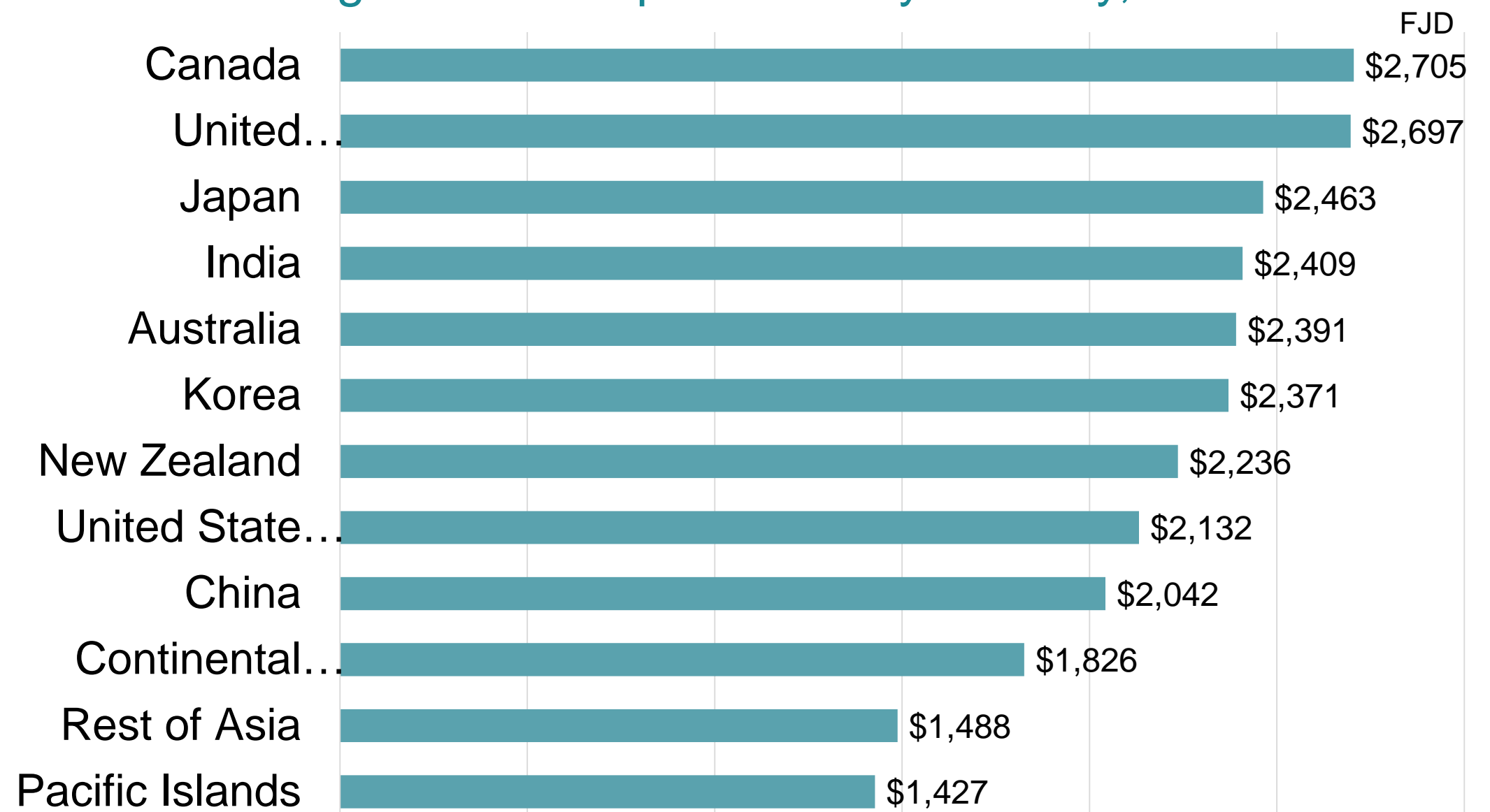
Retail – investment in high end retail shopping that looks at the development and enhancement of Fijian Made products to ensure an immersive visitor experience.

Accommodation – gaps in the accommodation sector note the need for higher end accommodation types such as upscale boutiques and eco-friendly resorts. Additionally, whilst Fiji has shown its capacity to attract international chains, there is still a need to encourage more accommodation properties with state of the art conference facilities to cater for the increase in MICE market.

Visitor Arrivals by Country, 2018



Average Tourist Expenditure by Country, 2018



Source: Fiji Bureau of Statistics (2017)



Holiday Inn

Investment Projects

GULF INVESTMENTS is a registered local company in Fiji looking for a JOINT VENTURE PARTNER to invest in the proposed HOLIDAY INN HOTEL PROJECT in Denarau Island, Nadi, Fiji.

Construction and fit out of 300 key resort hotel approx. F\$100 Million – looking for JV partner up to 60%

Holiday Inn will be part of Denarau Waters Integrated Tourism Development which is one of the largest tourism development in the South Pacific.

Full funding for Stage 1 is in place through a local bank. The developer has also invested significant funds

Will feature state of art conference facility which is currently lacking in Holiday Inn Suva



Financial Indicators

4th Year

FJ \$40m

Expected Gross income per year

FJ \$24m

Expected expenses – departmental cost & operating expenses

FJ \$16m

Expected net income per year

68%

Room Occupancy in first year

F\$318.65

Average daily room rate

F\$216.68

Revenue per available room



Grand President seeks an investor who can invest from 10 percent – 40 percent investment or more in this project.

The total project cost for Grand President is approximately Thirty Million Dollars [30,000,000.00]

The project will be located in the Central Business District in close proximity of the British High Commission, Malaysian High Commission, Indian High Commission and Micronesian Embassy.

Will feature state of art conference facility which is currently lacking in Suva.

Grand President

Investment Projects

D C Singh's Investments Limited is a registered company in Fiji looking for a JOINT VENTURE PARTNER to invest in the proposed GRAND PRESIDENT in Loftus Street, Suva, Fiji.



Financial Indicators

FJ \$3.3m

Expected Gross income per year

FJ \$0.68m

Expected expenses – departmental cost & operating expenses

FJ \$2.6m

Expected net income per year

F\$63.00/m²

Average retail rental cost per month for Suva CBD

F\$33.3/m²

Average A Grade office space/conference area rental cost per month for Suva CBD

F\$300

Approximate cost for one car park space per month



Manufacturing Sector

Fiji is the center of trade in the South Pacific with excellent communication infrastructure as well as air and sea transportation routes.

Potential investments in organic and natural food production, niche manufacturing and assembly for the greater Pacific region including Australia and New Zealand.

Quality raw materials from the main primary industries of Agriculture, Fisheries and Forestry offer value adding opportunities.

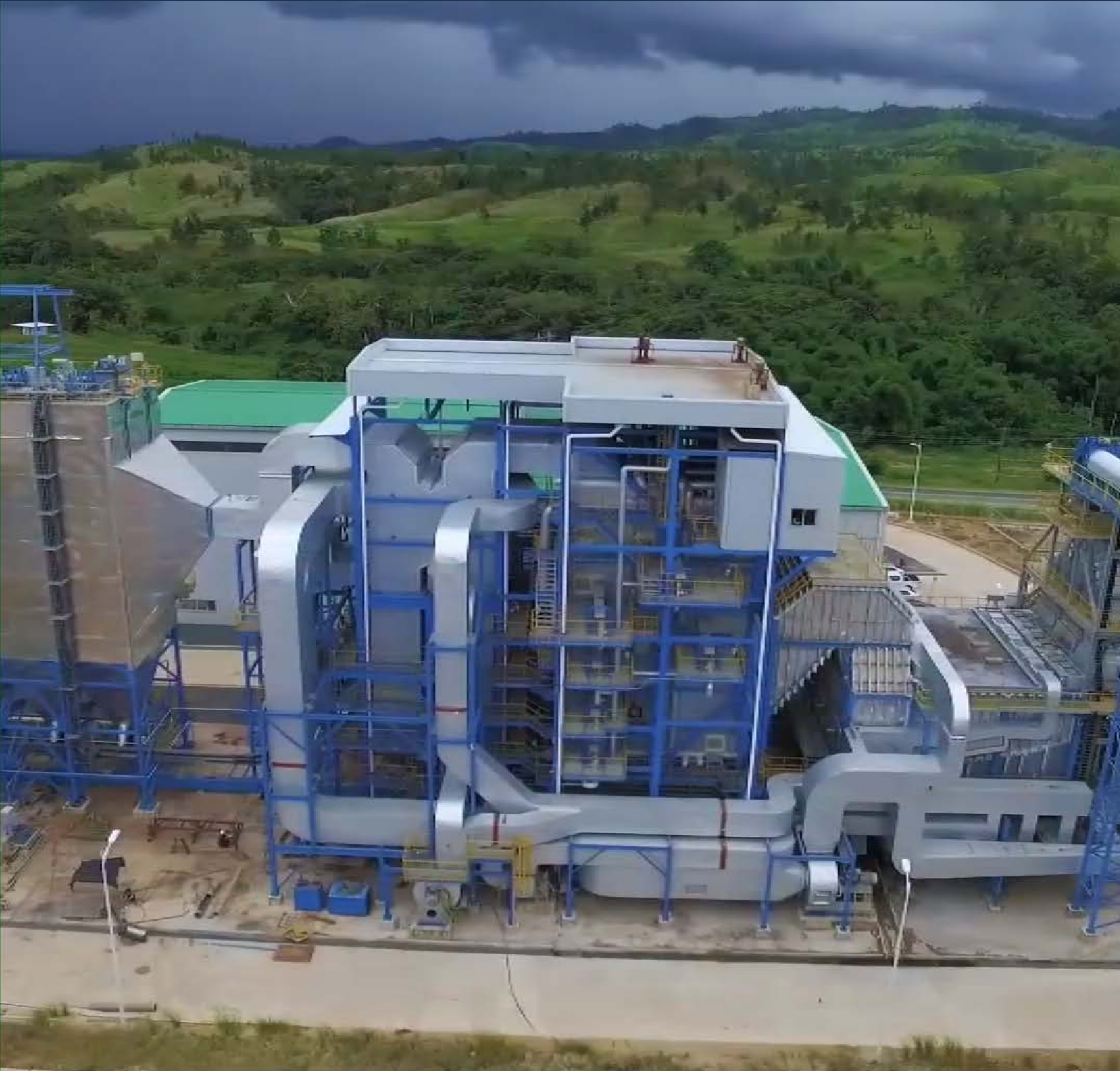
Given Fiji's location and size, the key is niche and premium and what applies to agriculture also applies to manufacturing.

Duty exemption on raw materials imported for manufacturing that are later exported.

Fiji is signatory to various trade agreements which allows for better market access and provides a conducive investment climate and opportunities with other countries.

The income of any new activity in commercial agricultural farming, agro-processing and pharmaceutical manufacturing approved and established from 1 January 2015 to 31 December 2028 shall be exempt from tax relative to the level of investment.

I N V E S T I N F I J I



Energy Sector

The Fiji Green Growth Framework outlines the government's national energy policy.

Currently 60% of energy produced is through renewable sources, primarily hydro. Target to have all power generated via renewable energy by 2030.

Fiji's demand for renewable energy has been increasing as it is fueled by national economic growth.

The Government Rural Electrification Program has been allocated \$50.8 million in the FY 2018–2019 budget to cater for solar installations, house wiring and generator repairs.

Construction of a 12 Mega Watt biomass power plant completed at a cost of \$92 million.

5 year tax holiday is available to a taxpayer undertaking a new activity in renewable energy projects and power cogeneration.

Duty free importation of renewable energy goods is also available.

Availability of untapped renewable energy resources such as hydro, wind, biomass, solar, and geothermal which could be used for power generation.

The Sustainable Energy Financing Project is a loan scheme that supports equipment purchase/ installation.

I N V E S T I N F I J I

THANK YOU

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Investment **FMJ**