



**FIJIAN
COMPETITION &
CONSUMER
COMMISSION**

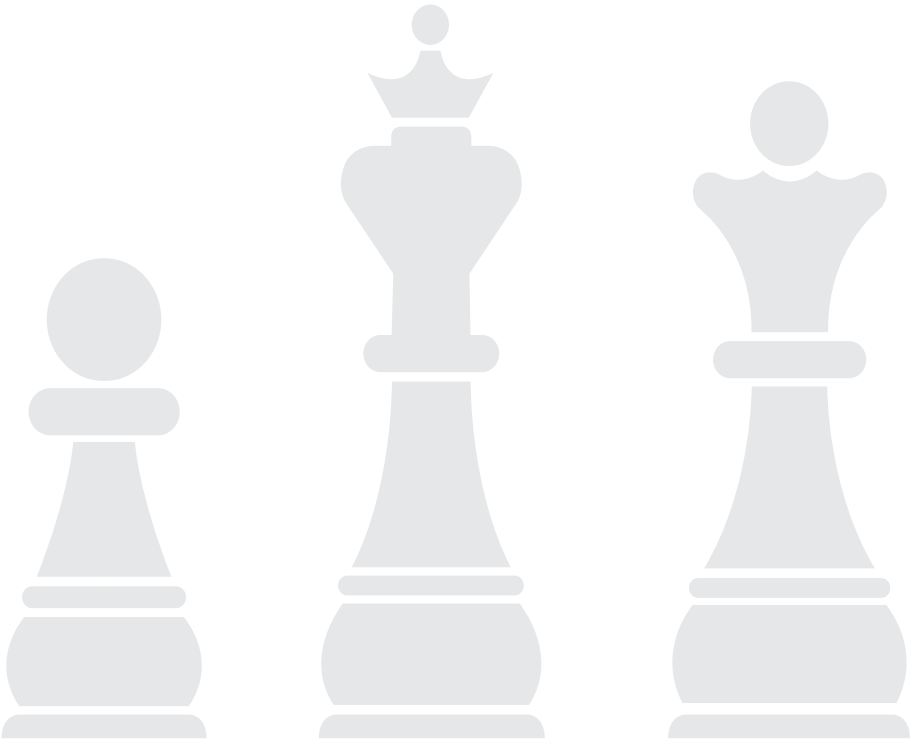
**STRATEGIC PLAN
2018 - 2023**



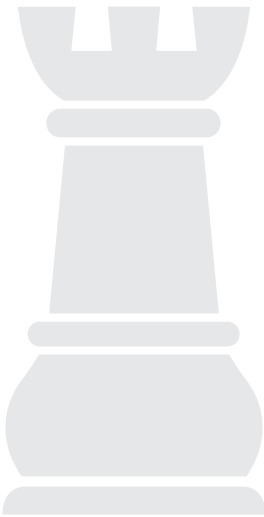


STRATEGIC PLAN
2018 - 2023

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Chair's Foreword



I am pleased to be able to present the Fijian Competition and Consumer Commission's (FCCC) Strategic Plan 2018 - 2023. It is an appropriate time to review FCCC's strategic direction, seven years after the implementation of the Fijian Competition and Consumer Commission Act 2010. FCCC has gained considerable experience in the time that it has been operating; it is always useful to step back and look at what FCCC is doing and whether it is focussing on the activities which will bring the most benefit to Fiji's people and economy.

FCCC has an important role in encouraging competition in the Fijian economy. Competition benefits all consumers by encouraging lower prices, improved quality, and innovation. At the same time, businesses can become more productive and efficient, and new competitors can be encouraged to enter markets. It is also fundamental to competition that consumers are confident that they are accurately informed and understand the prices that they will pay.

Not all markets can be competitive, particularly in the case of network industries or where the barriers to entry are high. In these cases, FCCC's role is to regulate prices to approximate competitive market prices. In consumer markets where competition is ineffective, FCCC is responsible for setting the prices of consumer goods to protect consumers' interests.

Development of this Strategic Plan has involved numerous stakeholder meetings and a series of internal Commissioner and staff workshops. This work has identified that FCCC has an opportunity to put more resource into its functions in relation to competition and consumer law. FCCC will look for better ways of setting the prices of consumer goods in order to reduce the cost of compliance for traders. By gaining efficiencies in this way, FCCC will be able to reallocate some of its resources towards competition and consumer matters.


It will be important for FCCC to undertake cases which have a greater impact for many consumers, and publicise the outcomes it achieves, rather than mediating individual complaints. Consequently, FCCC will be developing a communications strategy to assist it communicate effectively to consumers and businesses about their rights and obligations.

In order to improve its effectiveness in dealing with competition and consumer matters, FCCC will be seeking to clarify its information gathering powers, together with its ability to keep commercially sensitive information confidential.

The aim of regulation is to approximate competitive outcomes in markets where competition is not effective. This means that FCCC must strive to identify efficient costs and set appropriate regulatory asset bases, to ensure that regulated businesses are able to achieve an appropriate return on their investment. In order to improve the way FCCC undertakes its regulatory function, it will be looking to identify appropriate economic regulatory models for industries where FCCC currently acts as the regulator. No single model will be appropriate for all industries, but some clear regulatory principles and processes will provide certainty for regulated businesses. Implementing these principles will also ensure that consumers are able to purchase goods and services at efficient prices and at appropriate quality standards.

This Strategic Plan presents some real challenges for FCCC but it also sets a clear direction for FCCC: a direction which, over time, will deliver benefits for Fijian consumers and the economy overall.

FCCC has committed and capable Commissioners and staff and I am confident that we will be able to achieve our Strategic Goals.



Ms. Joann Young
Chair

CEO's Foreward



It is my pleasure to present the first ever strategic document for the Fijian Competition and Consumer Commission (FCCC) in the 'Strategic Plan 2018 - 2023'. We have over the years grown in confidence and capability since our establishment from the merger of three separate agencies in 2010.

As Fiji's national regulatory and competition agency, our purpose is to achieve the best possible outcomes in competitive and regulated markets for the long-term benefit of all Fijians. The benefits of effective competition is plentiful as it allows for a choice of products and services being available at affordable prices and quality demanded by consumers. At the same time, it incentivises innovation and rewards efficient traders. In doing this, we are contributing to the broader national vision of a 'Better Fiji for All'.

This Strategic Plan incorporates salient features of the National Development Plan (2017 - 2021 and 2017 - 2036) to enable inclusive socio-economic development. This resonates with FCCC's inclusive approach to regulatory oversight and making markets work well. Accordingly, we are working in congruence to actively contribute towards the realisation of the development goals, conclusive of the progress of the private sector, civil society, community groups, the government and all Fijians.

This progressive and forward thinking Strategic Plan embraces the fundamental principles of our National Development Plan and will promote greater self-regulation, voluntary compliance, and contributes towards 'Transforming Fiji'.

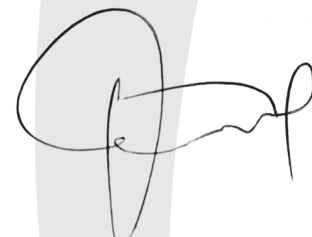
In the coming years, we will pursue a trusted collaborative working relationship with the industries and our strategic partners. This will enable effective good governance, risk management, detection and disruption of restrictive and unfair trade practices. Our effective regulation of markets will continue to play an important role in Fiji's economic growth.

This Strategic Plan also reflects FCCC's reconsideration of policies, operations, resources and management framework and places more emphasis on good governance, accountability, transparency and public-private sector partnerships. This will be achieved with clear performance measures and responsibility for achieving the outputs required under each strategic goal. As such, we will continue to provide capacity building to enable our staff to administer removal of restrictive and unfair trade practices from Fijian markets with the support of the Fijian government.

This continued support has seen the review of the FCCC Act 2010, and work commencing on the development of a National Competition and Consumer Policy framework. This commitment will greatly assist strengthening our sense of direction and boost confidence in achieving our vision to create a dynamic and competitive market in Fiji.

FCCC is committed to fostering a competitive, efficient, fair and informed market with initiatives to modernise the regulatory environment through a culture of excellence, while growing our presence at a national and regional level.

I am excited to lead FCCC and its committed professionals as we build on our past achievements and construct enduring foundations for our future.



Mr. Joel Abraham
Chief Executive Officer

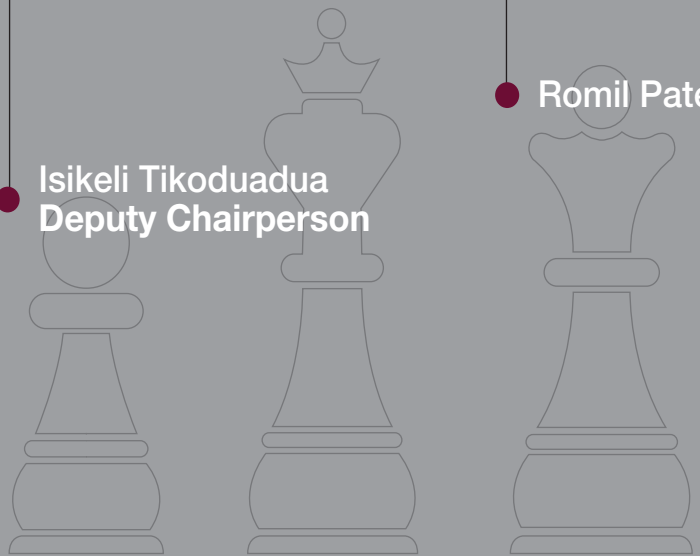
FCCC Commissioners



● Joann Young
Chairperson

● Isikeli Tikoduadua
Deputy Chairperson

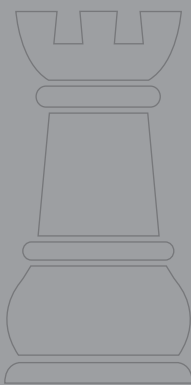
● Romil Patel



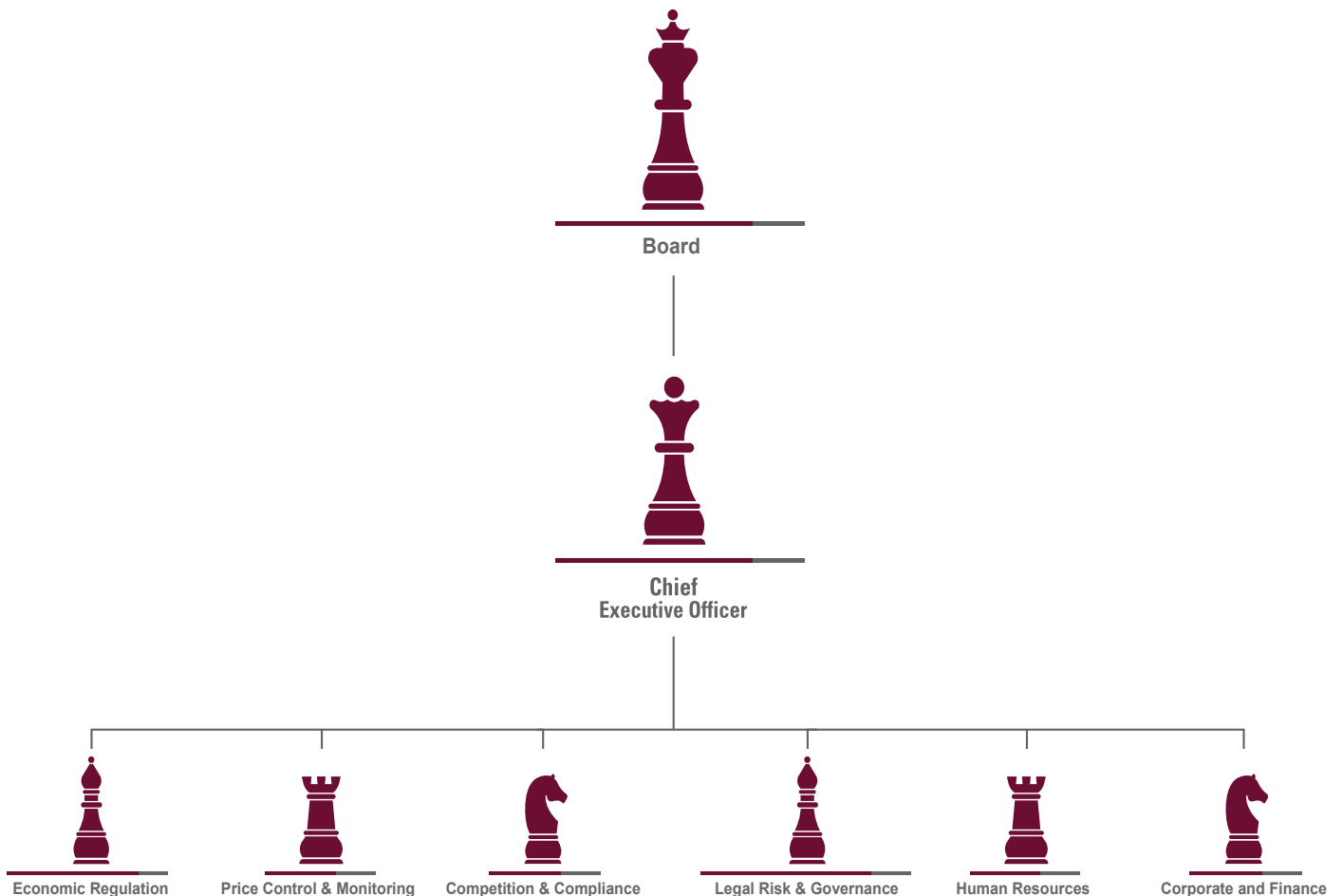


Lyanne Vaurasi

Vimlesh Sagar



Organisational Structure



About Fijian Competition and Consumer Commission

The Fijian Competition and Consumer Commission (FCCC) is an independent statutory body established under Section 7 of the Fijian Competition and Consumer Commission Act 2010 that promotes effective competition and informed markets, encourages fair trading, and protects consumers and businesses from restrictive practices, and controls prices of regulated industries and other markets where competition is lessened or limited.

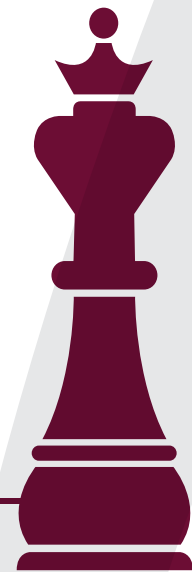
Ensuring compliance with its regulatory requirements is one of FCCC's principal objectives. This is achieved through the use of a variety of compliance tools, giving consideration to using the most appropriate tool necessary to obtain compliance, and when required, to promote general deterrence.

Vision and Mission

Vision

To create a dynamic and competitive market in Fiji.

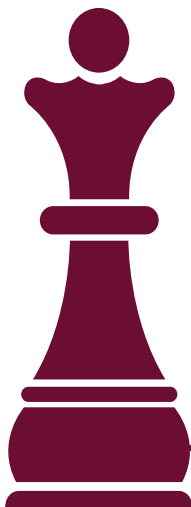
Our vision reflects the concept that all Fijians are better off when markets operate efficiently and effectively.



Mission

Fostering a competitive, efficient, fair and informed market place to enhance the welfare of all Fijians.

In a competitive, efficient, fair and informed market place consumers have access to goods and services at prices that reflect efficient costs, and businesses face incentives to innovate and improve their product offerings to consumers.



Our Values

FCCC's values reflect our goal of being a professional and credible organisation with a reputation for making impartial and objective decisions that are in the best interest of the Fijian economy.

- **Professionalism**

- We set high standards of behaviour and integrity.
- We are objective and impartial, and approach issues with an open mind.

- **Responsibility**

- We take individual responsibility for our actions.
- We are responsible to all Fijians for our use of public funding.

- **Commitment**

- We are committed to the highest standards of behaviour.
- We are committed to delivering the best possible outcomes which are in the best interests of the Fijian economy.

- **Honesty**

- We will be honest in all our dealings with the public.
- We will act with integrity in everything we do.

- **Respect**

- We listen to a diverse range of views.
- We engender respect from the public in the way we act, and in the decisions we make.

- **Trust**

- We can be relied upon to make decisions that are in the best interests of the economy.
- We will protect confidential information of individuals and businesses.

- **Transparency**

- We are accountable to all Fijians for what we do.
- We will explain all of our decisions.

Competition & Consumer Protection in Fiji

The Fijian Competition and Consumer Commission Act 2010 came into force in 2010. The Act establishes FCCC with a minimum of four Members, one of whom shall be the Chair.

The Act sets out its objectives in Section 2(1):

- (a) promote the interests of the consumers;
- (b) promote effective and efficient development of industry, trade or commerce;
- (c) promote effective competition in industry, trade or commerce; and
- (d) ensure equitable returns for businesses with fair and reasonable prices charged to consumers.

The Act also sets out the objectives of FCCC, in relation to regulated industries and access regimes under Section 2(2):

- (a) promote effective competition in the interests of consumers;
- (b) facilitate an approximate balance between efficiency and environmental and social considerations;
- (c) ensure non-discretionary access to monopoly and near monopoly infrastructure or services.

These objectives provide the overarching outcomes FCCC must strive to achieve through its activities and outputs. Over the time that the Act has been in force, FCCC has developed its understanding of the law and FCCC's role.

FCCC has a statutory responsibility under the Act for:

- Price control, including residential rents;
- Economic regulation;
- Competition adjudication and enforcement; and
- Consumer protection enforcement.

FCCC is also required to provide reports and recommendations to the Minister and in this respect it has a policy role. FCCC also initiates litigation or defends legal challenges to its processes, and it undertakes educational and advocacy activities to encourage compliance and advise consumers and traders of their rights and responsibilities.

FCCC undertakes a range of activities with respect to each of these functions. Such a broad range of functions provides FCCC with a degree of choice (discretion) as to which approach it will employ to resolve a market problem. Any intervention must be appropriate to the nature, scope and size of the market problem and be directed towards improving outcomes for all consumers. A decision about which intervention FCCC will employ must also be appropriate in the context of the Fijian economy.

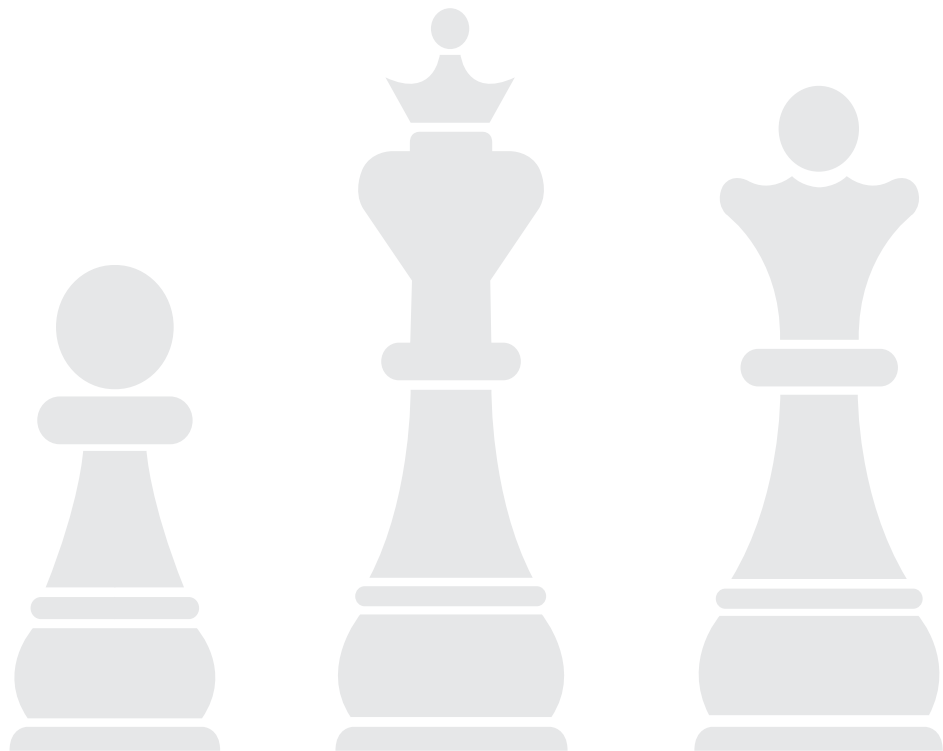
The Consumer Council is a consumer advocacy agency, separate from FCCC. The Consumer Council receives about 200 complaints from consumers each month and, where it can, it mediates an outcome for the consumer. It will also refer complaints to FCCC where appropriate or to the new Fiji Mediation Centre.

The Fiji Mediation Centre is Government funded and offers a mediation service for a wide range of consumer and small business disputes.

Our Logo

Our Commitment

“ FCCC safeguards the process of free and fair competition
in Fijian markets for the efficiency of enterprises and the development of the economy as a whole. ”





The Fijian Competition and Consumer Commission's (FCCC) logo embodies our values of forward thinking, making decisions with a futuristic outlook and continuous self-assessment and improvement.

The dual colour palette of red and black are employed to draw attention to its role as the leading Fijian authority for competition and consumer affairs while evoking an approachable demeanour.

Black is visually heavy. Its message is, therefore, strong. Black's most common association is power, authority and strength. As a deep and serious colour, black can direct communication in a powerful way. Black as a colour absorbs all other colour rays when projected; as such it portrays impartiality, the ability to listen to all parties and to take all views in consideration before arriving at an informed decision.

Dark Red is a shade of red which is the colour for the base. This represents grounding and connection to the universal energies. In traditional uses, red signifies groundedness, trust, belonging, lessens feelings of mistrust.

FCCC safeguards the process of free and fair competition in Fijian markets for the efficiency of enterprises and the development of the economy as a whole.

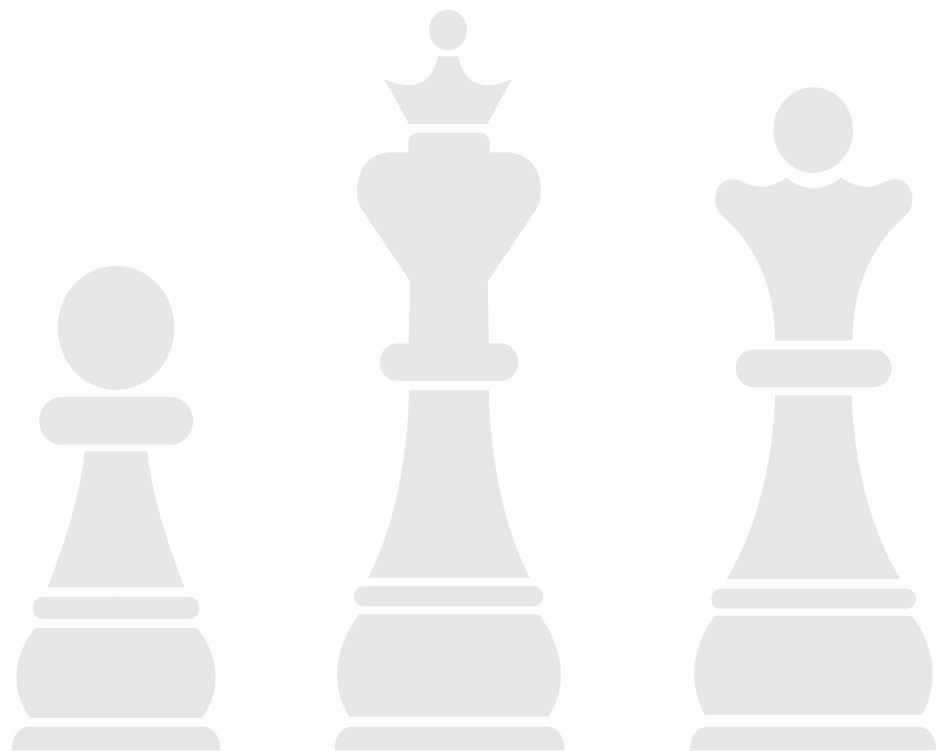
This means we will take action where this improves consumer welfare, protects competition or stops conduct that is anti-competitive to consumers, and promotes the proper functioning of Fijian markets.

That is our assurance.

Our new logo reflects that assurance. It stands for progression, accountability, transparency, consistency, respect and commitment to helping Fijian businesses do business the right way.

Our Strategic Goals

“FCCC ensures that the markets
for goods and services in Fiji are competitive.”



To achieve our vision, FCCC seeks to accomplish four Strategic Goals:

STRATEGIC GOAL 1

Markets for goods and services in Fiji are competitive.

STRATEGIC GOAL 2

Consumers in Fiji are offered goods and services that are safe and are provided with adequate and accurate information about goods and services.

STRATEGIC GOAL 3

Regulation, including price control, is applied where competition is not effective, and efficient outcomes can be achieved without imposing excessive administrative or compliance costs.

STRATEGIC GOAL 4

FCCC is regarded by Government, businesses and the public as an independent and expert body.

Strategic Goal

1

Markets for goods and services in Fiji are competitive

Robust competition can deliver significant benefits to the Fijian economy and to Fijian consumers. When firms compete they seek to deliver goods and services at better prices and superior quality. Consumers benefit from these better prices and the economy gains from having more productive firms. Setting the right conditions to encourage competition can also drive innovation as firms compete to improve their market share.

The benefits of competition will be lost, however, if firms collude to set prices or reduce output. Any collusion between firms to increase prices or reduce output and quality harms consumers and the competitive process.

Mergers will often have benefits to consumers and the economy where the new, consolidated business can achieve economies of scale and scope and, therefore, become more efficient. A merger between two direct competitors can result, however, in increased prices and reduced output, both of which harm consumers.

Successful competitors will gain market share. It is not illegal to have a high market share or to possess market power. The market power that a successful business may win, however, must not be used to prevent a new entrant coming into a market or to otherwise exclude or reduce competition.

Collusion between competitors, mergers between competitors and abuse of market power can be detrimental to consumers and the economy and are therefore prohibited by the Fijian Competition and Consumer Commission Act.

It is the role of the FCCC to promote compliance with the Fijian Competition and Consumer Commission Act, including by enforcing the law against those who infringe it. In order to assist it in performing this role, FCCC will seek various changes to the Act, including to allow it to accept enforceable undertakings from businesses and to strengthen its powers to gather information during investigations. These changes will help FCCC to achieve results that have market-wide benefits for businesses and consumers.

FCCC's objectives for competitive markets are:

- Businesses understand and comply with their obligations under the Fijian Competition and Consumer Commission Act.
- Competition between businesses is effective and fair.
- Changes to market structure do not substantially increase market power, unless any likely detriment is outweighed by the overall benefit to the public.
- Barriers to entry and exit are minimised.
- Terms of purchase are fair and businesses do not use market power to tilt the terms of trade in their favour to the detriment of their customers.

In order to achieve Strategic Goal 1, FCCC will adopt the following five Strategies:

1.1 Increase FCCC's impact in relation to anti-competitive conduct

Enforcement of competition law involves a range of economic and legal concepts and tests that can be complex. FCCC considers that it can be helpful to obtain expert assistance with analysing conduct and mergers. It will, therefore, explore ways in which it can obtain such assistance in the future. Taking a competition case to court can be an expensive process. FCCC's funding arrangements do not, at present, support bringing legal proceedings in serious cases of anti-competitive conduct which can have a significant detriment to the economy but which can be costly to prosecute. FCCC will seek dedicated funding for major litigation.

1.2 Improve FCCC's access to information regarding structural changes in markets

Under the Fijian Competition and Consumer Commission Act, parties contemplating a merger may voluntarily seek authorisation from FCCC where the merger will breach the Act but the benefits outweigh any economic detriment. At present, it is not mandatory to notify FCCC of a merger and there is no process for "clearance" of a merger that does not breach the Act. FCCC must monitor changes in market structure and investigate mergers which potentially breach the Act. FCCC will, therefore, become more active in its monitoring role. It will also seek a change to the Act to require mandatory pre-notification of mergers exceeding defined thresholds.

1.3 Strengthen FCCC's information requisitioning powers

FCCC has powers to obtain information from businesses when investigating whether prohibited behaviour or a prohibited merger has occurred but these powers are constrained. FCCC will seek changes to the Act to enable it to obtain information in electronic form, to confirm the truthfulness of information, and to clarify the scope of the privilege against self-incrimination. FCCC will also review its safeguards to keep compulsorily acquired information confidential.

1.4 Publicise the outcomes of investigative and enforcement activities

One of FCCC's key roles is to assist businesses to comply with the Act. This can best be done by ensuring that the outcomes of cases and investigations are made public. FCCC will develop Enforcement Guidelines including criteria to identify for investigation the cases that will have the greatest impact for consumers. Following investigations and enforcement actions, FCCC will publicise the outcomes of the cases.

1.5 Improve FCCC's coordination with other agencies

Many of FCCC's functions involve coordination with or assistance from other government agencies. Relationships with other agencies should be managed to ensure that there is minimal duplication of effort, that desired outcomes are agreed, and there are appropriate protocols in place for exchange of information. Memorandum of understanding will be negotiated to assist in this. FCCC will also build cooperative relationships with counterpart agencies in other countries.

Strategic Goal 1 – Markets for goods and services in Fiji are competitive

STRATEGIES	ACTIONS
1.1 Increase FCCC's impact in relation to anti-competitive conduct.	1.1.a Identify opportunities to engage external experts to assist with competition law cases. 1.1.b Review the funding options for competition and consumer protection matters to establish access to dedicated funding for major litigation. 1.1.c Develop FCCC's capability to investigate suspected anti-competitive conduct. 1.1.d Seek changes to the Act to allow FCCC to accept court-enforceable undertakings.
1.2 Improve FCCC's access to information regarding structural changes in markets.	1.2.a Implement a merger monitoring process to identify mergers which might be in breach of the Act. 1.2.b Seek legislative change to require mandatory pre-notification of mergers exceeding specified thresholds.
1.3 Strengthen FCCC's information requisitioning powers.	1.3.a Seek changes to the Act to allow requisitioning of electronic information. 1.3.b Seek changes to the Act to allow FCCC to require a statutory declaration as to the truth of information provided to FCCC. 1.3.c Consider possible reform of self-incrimination provisions of the Act. 1.3.d Review Commission safeguards protecting the confidentiality of compulsorily acquired information.
1.4 Publicise the outcomes of investigative and enforcement activities.	1.4.a Publicise investigation and enforcement outcomes under Communications Strategy (refer to Strategy 4.2). 1.4.b Develop and apply Enforcement Guidelines (refer to Strategy 2.1).
1.5 Improve FCCC's coordination with other agencies.	1.5.a Discuss better coordination with each of the other Government agencies FCCC routinely deals with (including possible MOUs). 1.5.b Develop relationships with overseas competition agencies and explore staff secondments to and from those agencies.

Strategic Goal 2

Consumers in Fiji are offered goods and services that are safe and are provided with adequate and accurate information about goods and services

A fundamental aspect of competitive markets is that consumers can be confident that they understand what they are purchasing and what price they will pay. Equally, businesses and traders who act with integrity must be confident that they will not be undermined by unethical traders who do not provide accurate information to consumers. It is important that consumers are able to make informed choices.

FCCC wishes to increase its activities to protect consumers. In part, it does this by controlling the prices of consumer goods and rents. This function needs to be balanced by allowing competition to operate in markets wherever this is possible. Competition cannot be relied on to deliver outcomes for consumers unless the rivalry is effective, fair and does not result in consumers being misled.

FCCC's objectives for consumer protection are to ensure that:

- Businesses understand the consumer protection rules and abide by them.
- Information provided to consumers by traders is accurate, complete and true.
- Consumers understand the full terms of their purchases.
- Terms of purchase are fair and businesses do not use bargaining power to tilt the terms of trade in their favour to the detriment of consumers.



FCCC Monitoring Officer (right) inspects goods at a store in Nadawa as the store owner looks on.

In order to achieve Strategic Goal 2, FCCC will adopt the following four Strategies:

2.1 Re-focus enforcement on systemic or market-wide consumer issues

FCCC has finite resources and will seek to identify those matters which, if resolved, will have the greatest impact for all consumers. This means FCCC will cease mediating outcomes for individual consumers and instead focus on achieving enforcement outcomes which serve the interests of all consumers and can be widely publicised. Enforcement Guidelines will be developed which identify the nature of appropriate cases for investigation, focussing on those matters which could be used to educate consumers and traders of their rights and obligations. The Enforcement Guidelines will also apply to situations involving landlord and tenant disputes, with appropriate cases being referred to the Mediation Service.

2.2 Strengthen FCCC's information requisitioning powers

FCCC has powers to obtain information from businesses when investigating whether a breach of the Act has occurred but these powers are constrained. FCCC will seek changes to the Act to enable it to obtain information in electronic form, to confirm the truthfulness of information, and to clarify the scope of the privilege against self-incrimination. FCCC will also review its safeguards for keeping compulsorily acquired information confidential.

2.3 Publicise the outcomes of investigative and enforcement activities

Two of FCCC's key roles are to assist businesses to comply with the Act and to educate consumers about their rights. Both can best be done by ensuring that the outcomes of cases and investigations are made public. FCCC will develop Enforcement Guidelines including criteria to identify for investigation the cases that will have the greatest impact for consumers. Following investigations and enforcement actions, FCCC will publicise the outcomes of the cases.

2.4 Improve FCCC's coordination with other agencies

Many of FCCC's functions involve coordination with, or assistance from, other Government agencies. Relationships with other agencies should be managed to ensure that there is minimal duplication of effort, that desired outcomes are agreed, and there are appropriate protocols in place for exchange of information. Memorandum of understanding will be negotiated to assist in this. FCCC will also build cooperative relationships with counterpart agencies in other countries.

Strategic Goal 2 – Consumers in Fiji are offered goods and services that are safe and are provided with adequate and accurate information about goods and services

STRATEGIES	ACTIONS
2.1 Re-focus enforcement on systemic or market-wide consumer issues.	<p>2.1.a Develop Enforcement Guidelines which focus resources on matters which cause the greatest harm to consumers.</p> <p>2.1.b Refer consumers' and tenants' cases suitable for individual mediation to the Fiji Mediation Centre.</p> <p>2.1.c Identify and initiate outcomes from complaints and investigations which have benefits for as many consumers as possible, including for rent and tenancy related matters.</p>
2.2 Strengthen FCCC's information requisitioning powers.	2.2 Refer to actions 1.3.a, 1.3.b, and 1.3.c on page 17.
2.3 Publicise the outcomes of investigative and enforcement activities.	2.3. Publicise investigation and enforcement outcomes under Communications Strategy (refer to Strategy 4.2).
2.4 Improve FCCC's coordination with other agencies.	2.4 Refer to actions 1.5.a and 1.5.b on page 17.



Strategic Goal

3

Regulation, including price control, is applied where competition is not effective, and efficient outcomes can be achieved without imposing excessive administrative or compliance costs

The Fijian economy is characterised by differing opportunities for consumers and businesses depending on whether they are based in rural areas or urban areas. These differences are exacerbated after adverse events such as cyclones or other natural disasters. For this reason, FCCC is responsible for setting the prices of a range of consumer products.

In addition, there are natural monopolies where effective competition is unable to be relied upon to deliver efficient prices for consumers. In such cases, these industries are regulated.

FCCC's regulatory functions can be separated into two different categories: price and rent control, and industry regulation.

Price and rent control

FCCC has responsibility for setting the prices of a wide range of consumer goods at wholesale and retail levels. In addition, it monitors compliance with the freeze on rents in the residential property rental market. FCCC's rental market activity is closely related to its consumer goods price control activity and is, therefore, treated as the same function for the purposes of this Strategic Plan.

To set the prices of controlled consumer goods, FCCC adds a wholesale and retail margin to the landed cost of goods. This margin reflects the distribution costs of the goods as well as a fair profit for the wholesaler and retailer. FCCC believes that it is appropriate to investigate possible changes to the process of setting the prices of consumer goods to reduce the cost for all parties, aid compliance, and protect consumers.

Stakeholder feedback has indicated that some controlled goods are supplied in competitive markets or could be if competition were encouraged, and it is appropriate for FCCC to review the range of goods currently under control.

Regulated industries

The methodology used by FCCC to determine the prices of services provided by regulated industries also takes a cost-plus-margin approach. It is challenging to identify the correct costs of a regulated entity. If the costs accepted by FCCC are too low, the entity faces no incentive to invest and consumers will not receive the right amount and quality of the service; if costs are too high, the entity earns a monopoly profit, which again harms consumers. In order to identify economically efficient costs, FCCC will investigate the use of alternative regulatory models for setting regulated prices.

Although no single regulatory model can be used for all regulated industries, there are some common regulatory principles and approaches that would allow FCCC to set economically efficient prices and quality standards. FCCC will explore the most appropriate regulatory model for the Fijian economy. FCCC will, therefore, review its own processes and funding requirements.

Current regulation does not prescribe service quality standards. There is a risk that an enterprise in a regulated industry could reduce its quality to enhance its margins. FCCC will examine options for including quality standards in regulation of prices.

FCCC currently does not monitor the performance of regulated entities. It recognises that this is a gap in its framework and will investigate options for monitoring the prices and quality of services provided by regulated entities.

FCCC's objectives for the pricing of consumer goods, rents and regulated industries are that:

- Where effective competition is unable to be sustained, the price of consumer goods reflects the costs of the goods including distribution costs and a fair margin.
- Residential rents are fair for the tenant and the landlord.
- Regulatory decisions set prices and quality standards that reflect efficient costs, remove monopoly prices and provide an incentive to invest.
- Regulated businesses should have regulatory certainty and smooth price paths.



In order to achieve Strategic Goal 3, FCCC will implement the following three Strategies:

3.1 Ensure price controls apply to goods, services, and suppliers where control is economically justified

FCCC is aware that some consumer goods are supplied in situations where the market price is lower than the regulated price. FCCC will review whether particular goods and services are being supplied into competitive markets and, therefore, whether it could advise the Minister that it is not necessary to continue to control the prices of these goods and services in those particular markets.

3.2 Ensure price controls are applied in an economically efficient manner

FCCC has a long list of price controlled goods and services which is extremely detailed and includes a wide range of packaging sizes for each product. Such detailed price lists increase the cost of setting the prices, the cost of compliance, and the cost of monitoring compliance. FCCC will review its methodology for setting controlled prices, with a view to improving the efficiency of its processes and reducing the costs of compliance.

3.3 Ensure price regulation of regulated entities is economically justified and applied in an efficient manner

Competition is not always effective, particularly in network industries or industries involving high barriers to entry. In these situations, it is appropriate to regulate the price and quality standards of the output of these industries in order to approximate the outcomes that might be achieved in a competitive industry. In order to achieve this outcome, FCCC is required to identify the efficient costs of each producer, including an efficient regulatory asset base, in order to set appropriate prices and quality. FCCC will, therefore, review its processes and the regulatory model it currently employs to set prices and quality.

FCCC will ascertain the costs it incurs in its regulatory activities and seek to recover those costs from the regulated industries in order to ensure its regulatory function is properly resourced and can be performed to a high standard.

FCCC will implement appropriate monitoring activities to ensure that regulated prices and quality standards are being delivered to consumers.

FCCC is aware that it might in future be tasked with additional regulatory responsibilities, in relation to the electricity industry. In that event, FCCC will develop or hire the expertise it requires and will seek to fund this by a combination of cost-recovery from the industry and Government appropriation.

Strategic Goal 3 - Regulation, including price control, is applied where competition is not effective and efficient outcomes can be achieved without imposing excessive administrative or compliance costs

STRATEGIES	ACTIONS
<p>3.1 Ensure price control apply to goods, services and suppliers where control is economically justified.</p>	<p>3.1.a Review whether consumer goods currently under price control are being (or could be) supplied in competitive markets and make appropriate recommendations to the Minister.</p>
<p>3.2 Ensure price controls are applied in an economically efficient manner.</p>	<p>3.2.a Ascertain FCCC's power to delegate price authorisation to a Commissioner or a senior staff member and formally delegate this responsibility.</p> <p>3.2.b Streamline its approach to price control of consumer goods, to reduce traders' compliance costs and FCCC's administration costs.</p>
<p>3.3 Ensure price regulation of regulated entities is economically justified and applied in an efficient manner.</p>	<p>3.3.a Prioritise among regulated industries for reform of price and quality regulation.</p> <p>3.3.b Engage external consultants to advise on efficient model for setting regulated industries' price and quality standards.</p> <p>3.3.c Engage external consultants to identify efficient costs (or relevant data) for prioritised regulated industries to set efficient prices and quality standards.</p> <p>3.3.d Identify and implement a compliance monitoring regime for regulated industries.</p> <p>3.3.e Ascertain FCCC's costs (including overhead) associated with regulated industry activities and commence Section 23A process for cost recovery from regulated entities.</p> <p>3.3.f (If designated as electricity industry Regulator:) Ascertain FCCC's requirements for technical inspection and licensing functions and resource these by hiring or delegation.</p> <p>3.3.g (If designated as electricity industry Regulator:) Ascertain FCCC's costs (including overhead) as Regulator, and secure funding at this level by appropriation or cost-recovery.</p>

Strategic Goal

4

FCCC is regarded as an independent and expert body by the public, the Government and businesses

Achieving our Strategic Goals will require FCCC to develop its capability and make changes to its own internal processes and management framework.

FCCC's objectives for its management framework are that:

- FCCC is respected as an independent and competent economic regulator and enforcement agency.
- FCCC has staff that are engaged, professional and have the capability to deliver FCCC's Strategic Goals.
- FCCC's resources are used efficiently and are allocated to achieve FCCC's Strategic Goals.
- FCCC is funded to an adequate level, from an appropriate combination of sources, to perform its roles.
- FCCC manages risk and meets all of its accountability reporting deadlines.

In order to achieve Strategic Goal 4, FCCC will adopt the following three Strategies:

4.1 Improve FCCC's governance and management framework to promote professionalism, capability and efficiency

FCCC will enhance its governance framework by separating the Commissioners' governance and statutory decision-making functions and implementing best practice processes, including a formal risk management process. FCCC's management framework will be strengthened by ensuring that its structure, resource allocation and performance measures all contribute to the achievement of this Strategic Plan.

4.2 Develop and implement a FCCC Communications Strategy

FCCC's key functions include assisting businesses to comply with the Act and educating consumers about their rights. This can best be achieved by communicating the outcomes of enforcement investigations and cases, and publishing guidance about how FCCC will approach its responsibilities. FCCC will, therefore, develop a communications strategy to ensure that it reaches as many consumers and businesses as possible with information and guidance about the application of the law.

4.3 Identify capabilities required by FCCC and develop or externally source those capabilities

FCCC's greatest resource is its people. In order to achieve FCCC's Strategic Goals, FCCC will seek to develop its staff to enhance its ability to undertake its operational functions. In addition, FCCC will actively seek to recruit the skills it requires to achieve its goals.

Strategic Goal 4 - FCCC is esteemed as an independent and expert body by the public, the Government and businesses

STRATEGIES

4.1 Improve FCCC's governance and management framework to promote professionalism, capability and efficiency.

ACTIONS

4.1.a Obtain peer and mentor support for the CEO and senior managers.

4.1.b Obtain leadership and management training for managers.

4.1.c Separate the governance role (by full Commission) from the statutory decision-making role of FCCC (by panels of three FCCC members).

4.1.d Implement a Governance Charter for regulating the operations of FCCC.

4.1.e Implement a Risk Register and appropriate risk management measures, including in relation to ICT.

4.1.f Review the organisational structure on commencement of the Strategic Plan, to ensure structure is apt for strategy.

4.1.g Ensure resource allocation supports strategy by:

- (i) ascertaining each costs of FCCC's key functions (including staff costs);
- (ii) allocating resources to each key function to reflect FCCC's strategic objectives;
- (iii) setting performance measures for each function based on strategic objectives and allocated resources; and
- (iv) making each function manager accountable for the use of resources allocated to his or her function.

4.1.h Involve staff in Members' meetings for statutory decision-making to promote sharing of information and expertise between Members and staff.

4.2 Develop and implement a FCCC Communications Strategy.

4.2.a Develop a Communications Strategy with the aim of helping traders to understand their obligations and consumers to know their rights.

4.2.b Develop in-house communications capability with a focus on improving external communications.

4.2.c Ensure FCCC's website is up-to-date with FCCC's recent decisions, guidelines and accountability documents.

4.2.d Communicate FCCC's Strategic Plan and progress to staff and stakeholders.

4.3 Identify capabilities required by FCCC and develop or externally source those capabilities.

4.3.a Identify the capabilities FCCC requires to perform its statutory functions and distinguish:

- (i) capabilities FCCC requires in-house; and
- (ii) capabilities FCCC requires from external providers.

4.3.b In respect of capabilities FCCC requires in-house, recruit staff with required economic, legal and investigative qualifications and experience.

4.3.c In respect of capabilities FCCC requires in-house, establish a Staff Training & Development Plan, including in relation to:

- competition and consumer law interpretation,
- investigative techniques and skills,
- principles of economic regulation, and
- principles of financial modelling.

4.3.d In respect of capabilities FCCC requires from external providers, develop in-house expertise in identifying, engaging, instructing and monitoring external experts.



Annex Table

Strategic Goal 1 - Markets for goods and services in Fiji are competitive

STRATEGIES	ACTIONS
<p>1.1 Increase FCCC's impact in relation to anti-competitive conduct.</p>	<p>1.1.a Identify opportunities to engage external experts to assist with competition law cases.</p> <p>1.1.b Review the funding options for competition and consumer protection matters to establish access to dedicated funding for major litigation.</p> <p>1.1.c Develop FCCC's capability to investigate suspected anti-competitive conduct.</p> <p>1.1.d Seek changes to the Act to allow FCCC to accept court-enforceable undertakings.</p>
<p>1.2 Improve FCCC's access to information regarding structural changes in markets.</p>	<p>1.2.a Implement a merger monitoring process to identify mergers which might be in breach of the Act.</p> <p>1.2.b Seek legislative change to require mandatory pre-notification of mergers exceeding specified thresholds.</p>
<p>1.3 Strengthen FCCC's information requisitioning powers.</p>	<p>1.3.a Seek changes to the Act to allow requisitioning of electronic information.</p> <p>1.3.b Seek changes to the Act to allow FCCC to require a statutory declaration as to the truth of information provided to FCCC.</p> <p>1.3.c Consider possible reform of self-incrimination provisions of the Act.</p> <p>1.3.d Review FCCC safeguards protecting the confidentiality of compulsorily acquired information.</p>
<p>1.4 Publicise the outcomes of investigative and enforcement activities.</p>	<p>1.4.a Publicise investigation and enforcement outcomes under Communications Strategy (refer to Strategy 4.2).</p> <p>1.4.b Develop and apply Enforcement Guidelines (refer to Strategy 2.1).</p>

Annex Table (Continued)

1.5 Improve FCCC's coordination with other agencies.	<p>1.5.a Discuss better coordination with each of the other Government agencies FCCC routinely deals with (including possible MOUs).</p> <p>1.5.b Develop relationships with overseas competition agencies and explore staff secondments to and from those agencies.</p>
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Strategic Goal 2 - Consumers in Fiji are offered goods and services that are safe, and are provided with adequate and accurate information about goods and services

STRATEGIES	ACTIONS
2.1 Re-focus enforcement on systemic or market-wide consumer issues.	<p>2.1.a Develop Enforcement Guidelines which focus resources on matters which cause the greatest harm to consumers.</p> <p>2.1.b Refer consumers' and tenants' cases suitable for individual mediation to the Fiji Mediation Centre.</p> <p>2.1.c Identify and initiate outcomes from complaints and investigations which have benefits for as many consumers as possible, including for rent and tenancy related matters.</p>
2.2 Strengthen FCCC's information requisitioning powers.	2.2 Refer to actions 1.3.a, 1.3.b, and 1.3.c on page 17.
2.3 Publicise the outcomes of investigative and enforcement activities.	2.3 Publicise investigation and enforcement outcomes under Communications Strategy (refer to Strategy 4.2).
2.4 Improve FCCC's coordination with other agencies.	2.4 Refer to actions 1.5.a and 1.5.b on page 17.

Annex Table (Continued)

Strategic Goal 3 - Regulation, including price control, is applied where competition is not effective, and efficient outcomes can be achieved without imposing excessive administrative or compliance costs

STRATEGIES	ACTIONS
3.1 Ensure price controls apply to goods, services and suppliers where control is economically justified.	3.1 Review whether consumer goods currently under price control are being (or could be) supplied in competitive markets and make appropriate recommendations to the Minister.
3.2 Ensure price controls are applied in an economically efficient manner.	3.2.a Ascertain FCCC's power to delegate price authorisation to a Commissioner or a senior staff member and formally delegate this responsibility. 3.2.b Streamline its approach to price control of consumer goods, to reduce traders' compliance costs and FCCC's administrative costs.
3.3 Ensure price regulation of regulated entities is economically justified and applied in an efficient manner.	3.3.a Prioritise among regulated industries for reform of price and quality regulation. 3.3.b Engage external consultants to advise on efficient model for setting regulated industries' price and quality standards. 3.3.c Engage external consultants to identify efficient costs (or relevant data) for prioritised regulated industries to set efficient prices and quality standards. 3.3.d Identify and implement a compliance monitoring regime for regulated industries. 3.3.e Ascertain FCCC's costs (including overhead) associated with regulated industry activities and commence Section 23A process for cost recovery from regulated entities. 3.3.f (If designated as electricity industry Regulator:) Ascertain FCCC's requirements for technical inspection and licensing functions and resource these by hiring or delegation. 3.3.g (If designated as electricity industry Regulator:) Ascertain FCCC's costs (including overhead) as Regulator, and secure funding at this level by appropriation or cost-recovery.

Annex Table (Continued)

Strategic Goal 4 - FCCC is esteemed as an independent and expert body by the public, the Government and businesses

STRATEGIES	ACTIONS
4.1 Improve FCCC's governance and management framework to promote professionalism, capability and efficiency.	4.1.a Obtain peer and mentor support for the CEO and senior managers.
	4.1.b Obtain leadership and management training for managers.
	4.1.c Separate the governance role (by full Commission) from the statutory decision-making role of FCCC (by panels of three Commission members).
	4.1.d Implement a Governance Charter for regulating the operations of FCCC.
	4.1.e Implement a Risk Register and appropriate risk management measures, including in relation to ICT.
	4.1.f Review the organisational structure, on commencement of the Strategic Plan to ensure structure is apt for strategy.
	4.1.g Ensure resource allocation supports strategy by: <ul style="list-style-type: none"> • ascertaining costs each of FCCC's key functions (including staff costs); • allocating resources to each key function to reflect FCCC's strategic objectives; • setting performance measures for each function, based on strategic objectives and allocated resources; and • making each function manager accountable for the use of resources allocated to his or her function.
	Involve staff in Members' meetings for
	4.1.h statutory decision-making to promote sharing of information and expertise between Members and staff.

Annex Table (Continued)

4.2 Develop and implement a Commission Communications Strategy.	<p>4.2.a Develop a Communications Strategy with the aims of helping traders to understand their obligations and consumers to know their rights.</p> <p>4.2.b Develop in-house communications capability with a focus on improving external communications.</p> <p>4.2.c Ensure FCCC's website is regularly updated with FCCC's recent decisions, guidelines and accountability documents.</p> <p>4.2.d Communicate FCCC's Strategic Plan and progress to staff and stakeholders.</p>
4.3 Identify capabilities required by FCCC and develop or externally source those capabilities.	<p>4.3.a Identify the capabilities FCCC requires to perform its statutory functions and distinguish: (i) capabilities FCCC requires in-house; and (ii) capabilities FCCC requires from external providers.</p> <p>4.3.b In respect of capabilities FCCC requires in-house, recruit staff with required economic, legal and investigative qualifications and experience.</p> <p>4.3.c In respect of capabilities FCCC requires in-house, establish a Staff Training & Development Plan, including in relation to:</p> <ul style="list-style-type: none"> • competition and consumer law interpretation, • investigative techniques and skills, • principles of economic regulation, and • principles of financial modelling. <p>4.3.d In respect of capabilities FCCC requires from external providers, develop in-house expertise in identifying, engaging, instructing and monitoring external experts.</p>

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