



**FIJIAN
COMPETITION &
CONSUMER
COMMISSION**

Annual Report

2019/2020



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Corporate Statement

OUR PRINCIPLES

Vision

To create a dynamic and competitive market in Fiji.

Mission

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

Values

Professionalism, Honesty, Responsibility, Respect, Trust, Commitment, Transparency.

About FCCC

The Fijian Competition and Consumer Commission (FCCC) is an independent statutory body established under Section 7 of the FCCC 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.

Objectives of FCCC

The FCCC Act 2010 came into force in 2010. The Act establishes FCCC with a minimum of four (4) Members, one of whom shall be the Chair. The Act sets out its objectives in Section 2(1):

- » promote the interests of the consumers;
- » promote effective and efficient development of industry, trade or commerce;
- » promote effective competition in industry, trade or commerce; and
- » ensure equitable returns for businesses with fair and reasonable prices charged to consumers

The Act further sets out FCCC's objectives , in relation to regulated industries and access regimes under Section 2(2):

- » promote effective competition in the interests of consumers;
- » facilitate an approximate balance between efficiency and environmental and social considerations; and
- » 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.

Functions

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.

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Chair's Foreword

Bula vinaka!

It gives me much pleasure to present to you the 2019-2020 Annual Report for the Fijian Competition and Consumer Commission (FCCC).

It has been a big year for FCCC, especially given the situation caused by the COVID-19 pandemic, which has seen both global and domestic supply chains disrupted, along with dramatic changes in consumer and trader behaviour - in what has globally been termed 'the new normal'.

We are always in a state of continuous improvement, striving to improve upon our service delivery, seeking to achieve our objectives in a more efficient manner, and serve our stakeholders with their interests at heart. This served us well and enabled FCCC to adapt to this new situation as it developed to continue fulfilling our functions.

This report highlights the activities undertaken in the 2019-2020 financial year, and, together with our financial statements, provides a platform of accountability on how we sourced and used our funds.

FCCC ensures effective and fair competition for the benefit of both consumers and traders, bearing in mind the very unique needs of the Fijian economy. This includes important functions such as encouraging competition, and regulating markets to prevent monopolistic practices when required.

FCCC seeks to prevent breaches of the FCCC Act 2010 through a variety of methods, including stakeholder education, to ensure that businesses and consumers are fully aware and informed of their rights and responsibilities under the FCCC Act 2010. Our recent focus on engaging businesses and consumers on social media has seen FCCC's engagement footprint increase many times over. This, in conjunction with our radio talkback shows, newspaper articles, media events, and on-the-ground presence ensures that we constantly engage stakeholders.



FCCC had also launched our Voluntary Compliance Framework in July 2019 - aimed at increasing compliance and addressing issues by educating traders about responsible and fair business practices before breaches occur. This has been a resounding success - several large businesses are currently participating in this program.

On the regulation front, FCCC had a very busy year and in addition to the periodic reviews of the Pharmaceutical, Petroleum and LPG sector, we reviewed and set prices in the Telecommunications and Transport sector, resulting in more competitive pricing of data and a review of bus fares ensuring fairness to both operators and commuters in the bus industry.

Furthermore, FCCC was appointed as the regulator of Fiji's Electricity Sector and undertook a review of tariffs after comprehensive analysis.

In terms of competition and compliance, we assessed two major acquisitions. The Acquisition of Pacific Direct Line International Pte Ltd by Pacific Neptune Lines (UK) Ltd and the Acquisition of Pacific Cement Pte Ltd by Basic Industries Pte Ltd were assessed thoroughly and approved.

As part of our routine activities, FCCC also received and formalised a total of 690 complaints of which 350 cases have been successfully resolved.

Trader inspections to ensure compliance continued during the year with a total of 14,041 inspections carried out in urban and rural regions, and a total of 987 inspections carried out in maritime regions.

Monitoring was also conducted on prices to ensure that the duty reductions provided by the Government on consumer goods in the 2019-2020 National Budget were passed on to consumers. Due to the COVID-19 outbreak in Fiji, this was also extended to sanitising products to ensure normalcy in pricing and consumer protection.

To ensure that disruptions in supply chains did not adversely affect food supply, our teams ensured that FCCC engaged with suppliers, distributors and traders to ensure that issues such as price gouging, hoarding, and bulk purchase of items due to panic shopping were addressed. During this initial spike in consumer and trader activity, our teams managed to alleviate the situation and ensure that consumers had adequate access to food.

During this time, we followed safety protocols approved by the Ministry of Health and Medical Services and the World Health Organisation while our response teams were out in the field ensuring compliance for traders and consumers.

I would like to thank the Management Team and the staff of the Commission for their hard work and dedication throughout the year. Our goals and objectives would not be met without their commitment.

I would also like to thank the Honourable Minister and the Permanent Secretary for Trade, Industry and Tourism for their support and invaluable guidance throughout the year.

I would like to finally thank the Board for their direction.

FCCC will continue to contribute to the socio-economic development of Fiji in carrying out its functions. On behalf of the Board and the Commission, I take this moment to thank everyone who has contributed to the success of this financial year!



Isikeli Tikoduadua
FCCC Chair

Chief Executive's Report



Ni sa bula vinaka!

I am extremely pleased to present the 2019-2020 Annual Report for the Fijian Competition and Consumer Commission.

FCCC plays an integral role in the Fijian economy. We are the only consumer body in Fiji that is endowed with enforcement capabilities.

In this unique role, we promote effective competition, properly informed and regulated markets, encourage fair trading practices and protect both consumers and businesses from restrictive trade practices. Guided by these overarching objectives, by the legal framework in which we operate - the Fijian Competition and Consumer Commission Act 2010, and our strategic goals, we continue to fulfil our mandate as an independent and expert body.

This year, we noted that many breaches of the FCCC Act were unintentional, and were due to a lack of knowledge, so we placed a greater emphasis on educating traders and consumers.

To achieve this, we began an expansion of our awareness campaigns to tout our accessibility, with a particular emphasis on social media which proved to be very effective. Our consolidated social media presence on Facebook, Instagram, Twitter, TikTok and LinkedIn is now the main platform through which we spread awareness and engage with stakeholders on a regular basis.

Using this strategy to engage hundreds of thousands of Fijians, we have noted a massive increase in our online engagement as compared to previous years. We bolster this with appearances on television and radio, articles and releases in the newspapers, press conferences, as well as through outreach programs, further increasing our reach and consumer accessibility.

In the same vein, we started the Voluntary Compliance Framework, a program where we work hand in hand with businesses to educate them, so

they do not breach the FCCC Act in the first place. We also conducted awareness and advocacy trader workshops, trader awareness sessions and school and community awareness sessions. This proactive approach to compliance management has been very well received with several notable businesses currently on board.

We also considered the needs of Fijians living in rural and maritime areas and initiated a Memorandum of Understanding with the Ministry of iTaukei Affairs with the goal of educating Fijians on their consumer rights. As part of this initiative, we trained village headmen and empowered them with the ability to conduct market surveillance and inspections.

Some of the biggest challenges of the year stemmed from the COVID-19 pandemic which had an enormously negative impact on the global economy, including Fiji.

Reactive actions by consumers like panic buying, as well as unethical conduct by traders such as price gouging and hoarding, were of special concern to us and we took quick action. FCCC ensured that the prices on products that were not normally scrutinised, like masks and hand sanitisers' were also overseen, to ensure that businesses did not attempt to benefit from the crisis by over-inflating their prices.

The Telecommunications sector saw a review of the FINTEL Cable Landing Station Charges, which resulted in a price reduction - a change that has already resulted in lower data rates for all Fijian consumers.

In the Transport sector, our duties broadened, giving FCCC the role of setting fares and charges for public service vehicles. We conducted a robust and independent assessment of submissions for bus companies and held widespread consultations with the public and set new bus fare prices. We have established a robust regulatory framework for future reviews.

This financial year, a total of 2,065 product price reviews were carried out, in comparison to the 1,829 reviews in the previous financial year, an increase largely made possible by the implementation of a new electronic pricing system.

We introduced a case management system to manage the influx of complaints coming through. In terms of complaints received, the 5 worst industries were the Automotive, Building and Construction, Hardware, White Goods, and Travel Agencies.

We also conducted surveillance of prices to ensure the duty reductions announced in the 2019-2020 National Fijian Budget were passed on to consumers, monitored the impact of duty reductions, and created awareness on the amendments.

Our workforce currently has 75 employees, of which 44 per cent are female, a testament to our commitment to gender equality in the workplace.

This financial year, after conducting a training needs analysis, an annual training calendar was established with 3,597 hours of training done, including internally organised training, externally organised training, webinars and on the job training. As part of our continuous improvement principles, this will enable staff to serve our stakeholders better.


I would like to thank everyone who made this year a successful one.

To the Management Team and Staff of the Commission - thank you for your late nights and diligence in serving our stakeholders! Your commitment is commendable.

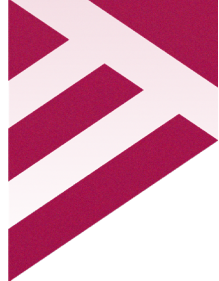
I would also like to thank the Honourable Minister and the Permanent Secretary for Commerce, Trade, Tourism and Transport for the stewardship you have shown us throughout the year.

I would like to finally acknowledge and thank my board for the trust and faith that they have shown me throughout the year, and for the invaluable advice that they have given me.

As always, FCCC is wholly committed to fostering and preserving conducive market conditions for sustainable economic growth for the good of all Fijian consumers and traders. We will continue to deliver quality services to all our stakeholders as part of our strategic goals for 2018-2023.



Joel Abraham
FCCC CEO



Board of Commissioners



ISIKELI TIKODUADUA

Mr. Tikoduadua is a banker by profession with more than 30 years of banking experience. He has worked for the Bank of New Zealand (BNZ), Australia New Zealand Banking Group (ANZ) and retired as CEO of HFC Bank in June 2016.

Mr. Tikoduadua is currently the Chairperson of Special Administrators for Suva City and Lami Town Council as well as the Chairperson of the University of the South Pacific MBA Advisory Committee.

Other than this, he also serves as a Director of Vodafone Fiji, Director of Tower Insurance Ltd, and Director of i-Taukei Land Trust Board (TLTB).

He was appointed as a FCCC Chair on 17 September 2021.



JOANN YOUNG

Ms. Young has over 20 years of experience in trade and agriculture policy, having worked for national, regional and international organisations.

She has also served in various boards in Fiji and was appointed as FCCC Commissioner on 21 September 2021.



LYANNE VAURASI

Ms. Lyanne Vaurasi is a lawyer by profession with more than 8 years of experience.

She has worked at the Office of the Attorney General since July 2011. She is also a member of the Australian Institute of Company Directors.

From April 2016, Ms. Vaurasi has been the Deputy Chief Draftsperson at AG's Office.

She was appointed as FCCC Commissioner on 21 September 2021.





VIMLESH SAGAR

Mr. Sagar has over fifteen (15) years' experience in Finance gained from dynamic and multi-cultural organisations. He possesses multiple skills covering many financial areas such as laws, financial analysis and management, budgeting, auditing practices, taxation, annual reporting, economic regulations, ethics, corporate governance and change management.

He is a Member of Australian Institute of Company Directors (MAICD), Fiji Human Resources Institute (FHRI), Australian Human Resources Institute (AHRI) and CPA Australia. Mr. Sagar is also an Associate Member of Association of Certified Fraud Examiners (ACFE) and a Fellow member of the Institute of Managers & Leaders (FAIM). He was also appointed as a member of the selection panel for the Young Entrepreneurship Scheme (YES) in August 2018. He is also a member of the Selection panel for the Research and Innovation Scheme for Enterprises (RISE).

He is currently the Chief Financial Officer / Company Secretary of the Fijian Broadcasting Corporation Pte Ltd. Additionally, Mr. Sagar serves the people of Fiji as Justice of the Peace.

Mr. Sagar was appointed as FCCC Commissioner on 21 September 2021.



ROMIL PATEL

Mr. Patel being the founder and CEO of Jewels, Fiji is also the Administrative Director and Shareholder of South Pacific Recordings (SPR), Director and Shareholder of All Foods (Fiji) Limited, Kebab King (Fiji) Limited and Information Nest Solutions (Fiji) Limited – An IT company providing services to State Owned Enterprises and Private sector. Other than this he is also serving as the Director & Board Member of Port Denarau Centre Management Limited and as a Board Member of the Trade Standards Advisory Council of Fiji.

Mr. Patel is also an Accredited Jewellery Professional from Gemological Institute of America. At present, Mr. Patel is also a serving member of the Australian Institute of Company Directors, Gemological Association of Australia (GAA) and Treasurer for the Rotaract Club of Nadi.

He was appointed as FCCC's Deputy Chair on 17 September 2021.



Governance Statement

“The FCCC Board, Executive Management and staff of FCCC are committed to deliver benefits of competition regime to all Fijians with regards to economic development, greater efficiency in trade and protection of consumer welfare in an ethical, fair and transparent manner.”

Under Part 1 Section 2 (2) of FCCC Act 2010 FCCC has the following objectives in relation to regulated industries and access regimes to:

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

The performance of FCCC is documented in the annual report and submitted annually to Parliament.

Objectives of FCCC

The FCCC Act 2010 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.

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:

- i. Price control, including residential rents;
- ii. Economic regulation;
- iii. Competition adjudication and enforcement; and
- iv. 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.

The Board

The Board sets the long-term strategic direction of FCCC by balancing the needs of various stakeholders. Board is overall responsible for the corporate governance in FCCC and ensures that the organisations develop and implements strategies and policies to enable it to achieve the objectives/goals set out in the FCCC Act 2010 and Strategic Plan 2018-23.

Board of Commissioners

The Board of commissioners comprises of a board chairman – Mr. Isikeli Tikoduadua; a retired banker by profession for 30 years and ended his career as the chief executive of Home Finance Company PTE Limited better known as HFC bank. Current board members were recently re-shuffled which saw Mr. Tikoduadua succeed active board member Ms. Joann Young as chairperson. Mr. Tikoduadua – board chairman and Ms Young – Deputy Board chair, together with three other non-executive members form the board of commissioners.

The Board of commissioners or “the Commission” as it is referred to in the FCCC Act 2010 should contain no less than four and no more than 6 members. Board of commissioners is appointed by the Minister and consists of a board chairperson and deputy chairperson. A board member may be appointed for a period not exceeding 5 years and is eligible for re-appointment for another 3 years.

Board Meetings

The frequency of meetings of the commission is determined by the chairperson who will preside at each meeting. Currently, Board meetings are convened on a monthly basis. In the absence of the chairperson, the deputy chairperson will preside at that meeting. Should both the chair and deputy chairperson be absent from the meeting, the meeting will be presided over by a member nominated by the chairperson. Should this not work, the meeting will be presided by a board member nominated by other board members present at the meeting. The quorum necessary for the transaction of business of the commission is 3 members.

Executive Management

The executive Management consists of the Chief Executive officer and the General Manager Operations – formerly known as the Deputy chief executive officer. The function of Executive Management is ensuring proper administration and management of the operations and affairs of FCCC in accordance with internal policies. Executive Management performs any other function that is delegated to them by the board.

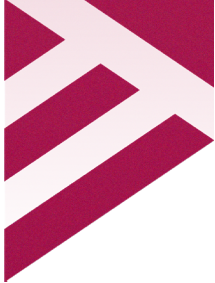
Strategic Plan

FCCC launched its first ever 5-year strategic plan in 2017 to map out a strategic course to achieving FCCC objectives whilst creating a structured framework to measure its performance in contrast to the goals it has set itself for 5-year period. This allows the organization to improve its effectiveness and builds efficiency in key areas of operation.

To achieve its 5-year strategic plan, 4 strategic goals were identified to reflect the objectives and vision of the organization. This was further broken down to strategies that culminate in achieving each goal. Published Annual reports further reflect the progressive achievement of these goals.

Risk and Governance Statement

Each department has a nominated risk champion that identifies plausible operational risks and governance issues. These risk champions then submit, a risk report to the risk officer whom, through dialogue with risk champions and respective departments, identifies resolutions to the identified risks. A timeframe is assigned to resolve each risk depending on breadth, priority and significance of risk identified. A risk-matrix is developed from the risks report submitted by risk champions to which progressive reports are tabled to the risk sub-committee on a monthly basis. The risk sub-committee is chaired by Mr. I. Tikoduadua.



Executive Management



JOEL ABRAHAM

Chief Executive Officer

Mr. Abraham is the Chief Executive Officer for the Fijian Competition and Consumer Commission since September 2016 till date.

He has served as the Deputy CEO/ Manager Compliance & Fair Trade at the Fiji Commerce Commission from April 2010 to July 2015. He has also served as the Senior Research Fellow Price Control & Monitoring at the Fiji Commerce Commission.

He has also worked as a Finance and Business Advisor for firms such as Zura Pty Ltd Australia and Cardno Emerging Markets (Australia) Limited.

Mr. Abraham, has successfully completed his Master of Commerce in Professional Accounting from University of the South Pacific (USP) prior to

which has attained his Bachelor of Commerce-Accounting & Financial Management and Economics from USP as well. He has further attained a Master of Arts Programme in International Relations and Diplomacy from University of Fiji and has also completed a Post Graduate Diploma in Climate Change from USP.

He is an Associate member of CPA Australia and Associate Member-Association of Certified Fraud Examiners.

He currently serves as a Board member for organisations such as the Fiji Sports Council and the Fiji Meats Industries Board.



SENIKAVIKA JIUTA

General Manager Operations

Ms. Jiuta is the General Manager Operations for the Fijian Competition and Consumer Commission since February 2019 till date.

She has previously worked as the Manager Legal, Risk & Governance at FCCC and served in a wide range of areas including Board Secretary, risk management, governance, regulatory reviews, pricing reviews and financial reviews.

Ms. Jiuta had worked as a Legal Officer then to Senior Legal Officer with the Legal Aid Commission where she served in various divisions.

She holds a Bachelor of Law and Professional Diploma in Legal Practice from the University of the South Pacific.

She also serves as a Board member for the Housing Authority of Fiji and the Public Rental Board.

Our Strategic GOALS

Strategic Goals 1

Market for goods and services in Fiji are competitive.

Strategic Goals 2

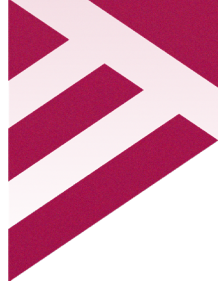
Consumers in Fiji are offered goods and services that are safe and are provided with adequate and accurate information about goods and services.

Strategic Goals 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 Goals 4

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



Economic Regulations

Regulation is an important means for accomplishing government policy objectives while driving market economies.

As the Economic Regulator, Competition and Consumer Protection agency, the primary role of the FCCC in line with Government policy is to correct market failures thus enhancing the welfare of all Fijians through the promotion of competition and fair trade, regulating prices of certain goods and services provided by regulated entities and the protection of consumers' rights and interests.

The Economic Regulations department is responsible for determining the prices of products that is controlled by the FCCC pursuant to a Price Control Order and undertaking independent analysis and review on any industry engaged in the supply of electricity, water, sewage, post, broadcasting, telecommunications, ports, civil aviation or any other industries that is declared subsequently in Section 5, Regulated Industries of the FCCC Act 2010.

Through economic regulation, the aim is to get the right balance between providing incentives and equitable returns for regulated businesses to invest and ensuring that consumers are charged prices that align with the cost of the goods or services they receive. A number of major projects were carried out by the Economic Regulations department during FY2019-20 to support FCCC's ongoing service delivery capability; including market studies and assessments to support policy recommendations to relevant government agencies.

The summary of the major activities for the year are summarised in the next section.

Price Restatements

In its effort to improve FCCC's processes and review time frames, the FCCC has adopted quarterly and monthly price restatement for selected industries to meet the industry's expectations. Included in the restatements are the Pharmaceutical sector, Petroleum sector and LPG sector. Through this pricing mechanism, FCCC has effectively ensured that domestic price movement is aligned with symmetrical movements corresponding to the world market price.

I. Pharmaceutical Items Prices

In the period August 2019 – July 2020, a total of four (4) reviews were carried out based on the process traders were invited to make submission for the review of regulated pharmaceutical products.

The pricing methodology adopted by FCCC is based on the most efficient supplier determines the prices and is valid for a quarter. Upon the computation of the in-store costs, analysis was performed to determine the efficiency of shipments and adoption of a uniform price through comparisons with costs of products with identical pack sizes in the same product category by different suppliers.

The table below provides a summary of quarterly pharmaceutical items prices review.

Quarterly Pharmaceutical Prices

Quarter	Total No. of Items Submitted for Review	Price Increase	Price Decrease	New Inclusion	No Price Change
Q4 Oct-Dec 19	43	4	1	0	38
Q1 Jan-Mar 20	70	7	6	1	56
Q2 & Q3 Apr-Sep 20	82	6	3	2	71
Total	195	17	10	3	165

Source: FCCC Economic Regulations Department

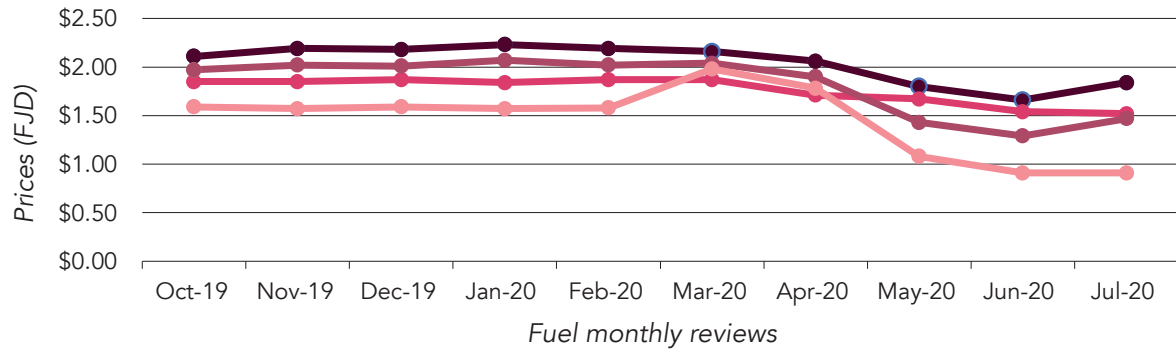
II. Petroleum & LPG Price Reviews

FCCC adopted monthly pricing for fuel from 1 October 2019 and for LPG from 1 April 2020. This was done to ensure domestic price movements are more closely aligned to the volatile world market price with only one-month lag.

Ten (10) price restatements for fuel and seven (7) price restatements for LPG products were conducted during the financial year.

The monthly prices for fuel are based on the average Means of Platts Singapore (MOPS) and for LPG products on average Saudi Aramco Contract Price. The exchange rate and international freight and handling charges are the other determinants of the prices. The graphs below show the monthly trend prices of petroleum products and LPG products over the financial year.

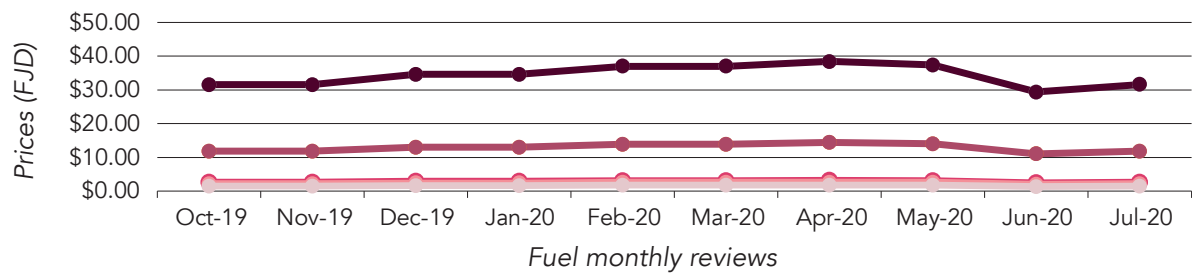
Fuel Price Review



	Oct-19	Nov-19	Dec-19	Jan-20	Feb-20	Mar-20	Apr-20	May-20	Jun-20	Jul-20
Motor Spirit(FJD/Ltr)	\$2.11	\$2.19	\$2.18	\$2.23	\$2.19	\$2.16	\$2.06	\$1.80	\$1.66	\$1.84
Diesel (FJD/Ltr)	\$1.85	\$1.85	\$1.87	\$1.84	\$1.87	\$1.87	\$1.71	\$1.67	\$1.54	\$1.52
Premix (FJD/Ltr)	\$1.97	\$2.02	\$2.01	\$2.07	\$2.02	\$2.04	\$1.90	\$1.43	\$1.29	\$1.47
Kerosene (FJD/Ltr)	\$1.59	\$1.57	\$1.59	\$1.57	\$1.58	\$1.98	\$1.78	\$1.08	\$0.91	\$0.91

Source: FCCC Economic Regulations Department

LPG Price Review



	Oct-19	Nov-19	Dec-19	Jan-20	Feb-20	Mar-20	Apr-20	May-20	Jun-20	Jul-20
Per Kg	\$2.63	\$2.63	\$2.88	\$2.88	\$3.09	\$3.09	\$3.21	\$3.12	\$2.45	\$2.64
4.5Kg Cylinder	\$11.84	\$11.84	\$12.97	\$12.97	\$13.88	\$13.88	\$14.43	\$14.03	\$11.03	\$11.86
12Kg Cylinder	\$31.58	\$31.58	\$34.58	\$34.58	\$37.02	\$37.02	\$38.47	\$37.42	\$29.41	\$31.64
Bulk (Wholesale)	\$2.21	\$2.21	\$2.43	\$2.43	\$2.62	\$2.62	\$2.65	\$2.61	\$2.03	\$2.16
Autogas	\$1.49	\$1.49	\$1.63	\$1.63	\$1.76	\$1.76	\$1.78	\$1.74	\$1.36	\$1.45

Source: FCCC Economic Regulations Department

Industry Reviews

A. Marina Sector

I. Review of Passenger Levy

On 1 April 2019, FCCC Final Authorisation on Marina Fees and Charges for the revised Passenger Levy for Port Denarau Marina Limited was enforced. In making its Authorisation, the submissions from stakeholders highlighted concerns for the services to be improved. In view of this, the condition to report on investments was required from Port Denarau Marina Limited (PDML) post the implementation of new passenger levy.

FCCC conducted a regulatory audit to provide assurance that the authorised increase in prices were used for investment into capital projects as per the submission. It was found that investments were ongoing, and it would be important to conduct subsequent assessments to ensure that PDML continues to make the necessary investments for the benefit of stakeholders.

B. Telecommunications Sector

I. Broadband Capacity Services over Backhaul Fibre Network

The review relates to Telecom Fiji Pte Limited's (TFL) broadband backhaul transmission service charges. At present the wholesale backhaul services are provided to Vodafone, some internet service providers and to TFL's own retail operation. Digicel is also expected to use these services in near future.

The rapidly increasing data traffic that is associated with Long Term Evolution (LTE - 4G) and with 5G services in future will require the greater transmission capacity of fibre systems.



Fiji International Telecommunications Pte Limited (FINTEL) Headquarters

Thus, there is a need to ensure that wholesale prices reflect the fair and reasonable costs that TFL has and will incur in providing backhaul transmission services. The FCCC released an Interim Authorisation for Prices for Broadband Capacity Services over Backhaul Fibre Network between nominated network nodes by Telecom Fiji Pte Limited (TFL) within Fiji effective from 1 April 2020 to 31 March 2021.

II. Review of FINTEL Cable Landing Station Charges

FCCC commenced a review of the charges for the FINTEL cable landing station and for other services which are important for the provision of broadband services to retail customers in Fiji. A cable landing station is the point at which the submarine cable connects into the land-based infrastructure or network. This is a crucial link connecting Fiji to the world via internet broadband services.

The review noted that the landed capacity of all operators has increased substantially since the initial Determination came into effect, at a rate that is not matched by the increase in costs incurred by FINTEL to continue providing the service.

Having regard to the overall cost reductions in cable capacity, the number of cables being supported by FINTEL at the cable landing station and the general changes in technology, FCCC had determined that the final charge should be amended from \$4,000 per gigabits per month. to \$640 per service per month. This reflects a change in application of pricing, which is now based on *“a service utilising a fibre connection between a national telecommunications operator in Fiji and an international submarine cable at a cable landing station”*.

Apart from the above, the co-location service charge was increased from \$1,500 per square meter to \$1,630 per square meter. Co-location service refers to *“the provision of conditioned cabinet space within a cable landing station based on standard telecommunications rack configurations with power requirements up to 4 kW, but excludes electric power usage”*. The final Authorisation was effective from 1 October 2019.

This change is expected to make important contribution towards the growth and development of Fiji's economy and presents opportunities to deliver high-speed low-cost internet connectivity and associated economic and social benefits.

III. Call Rounding Mechanism

FCCC received submission from one (1) stakeholder in telecommunications industry requesting for an amendment to the call duration rounding mechanism in respect of international inbound calls to Fiji. The change requested was to move from rounding on “second plus second” to “minute plus minute” basis. FCCC carried out an independent analysis on the migration to minute plus minute billing system and conducted consultation with the relevant stakeholders. There is no impact on consumers in Fiji as this cost will be absorbed by international markets outside Fiji. FCCC recommended 60-60 rounding shall apply to the international and domestic transit charges. Incoming international calls and national transit shall have consistent rounding to the nearest minute. The final Authorisation for Prices of Interconnection Services and Off-Net Retail Rates came into effect from 1 October 2019.

C. Transport Sector

I. Bus Fare Review

On 22 November 2019, Bill No. 30 of 2019 was enacted by Parliament to amend the Land Transport Act 1998 and give functions of setting fares and charges for public service vehicles; including buses, taxis, carriers and minibuses to FCCC.

Following this, FCCC conducted a robust and independent assessment of submissions from bus companies and stakeholders and a widespread consultation with the travelling public.

The new fares came into effective from 10 February 2020 for adult fares and 4 May 2020 for school fares. A standard increase of seven (7) cents was allowed across all stages. In the process of reviewing the bus fares, FCCC also recognised the need for a robust regulatory framework and has developed a regulatory regime for future reviews, which will be based on submissions from stakeholders.



D. Postal Sector

I. Review of Postal Tariffs

FCCC received a submission from Post Fiji Pte Limited (Post Fiji) for review of postal tariff for domestic services, namely domestic letter, sea parcels, air parcels and postal mailbox. A detailed review was conducted of the cost structure and business model for Post Fiji, including site visitation to observe and understand Post Fiji's activities, operations and processes. Upon thorough assessment it was noted that there were merits for an increase in the rates. However, any increase would not be justifiable in the current economic downturn that has been made worse by COVID-19 pandemic. Postal sector is an essential service used by various other sectors (health sector being one of the major ones) to move items around the economy. Any increase in the tariffs would place additional burden on the society during these tough times. As such, changes in the tariffs have been withheld.

E. Electricity Sector

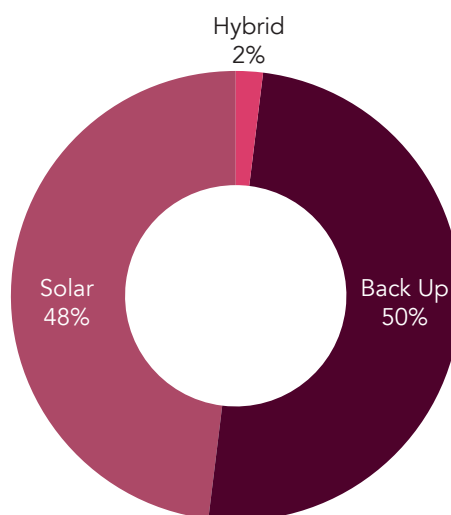
I. Appointment as Independent Regulator of Electricity Sector

In 2019, FCCC was appointed as the regulator of electricity sector to carry out functions assigned under Electricity Act 2017. Electricity Regulation 2019 LN-8890 came into effect on 30 September 2019 and stipulates the functions and powers of FCCC.

Pursuant to section 56(3) of the Electricity Act 2017, FCCC required EFL to provide services as an agent of the Regulator, and entered into a Memorandum of Agreement on 2 October 2019 to facilitate these services. On 2 October 2019, FCCC entered into a Memorandum of Agreement with Energy Fiji Limited (EFL) to delegate certain regulatory functions to EFL as an agent of FCCC in accordance with section 56(3) of the Electricity Act 2017.

From December 2019, FCCC began issuing license for electrical installations and operating generators. During the financial year, FCCC issued a total of 60 licenses mostly for stand-alone systems, including license for diesel back-up generator, solar and hybrid (combination of battery & generator). The figure below shows the composition of licenses that have been issued over the financial year 2019/2020.

**Percentage of licence issued
2019-2020 financial year**



II. Review of the Electricity Tariff Rate

In April 2018, EFL made a submission for review of electricity tariff rate. EFL proposed an increase in the existing average electricity tariff by 17.27% to cover for the increasing cost of providing electricity in the three (3) main regions of Viti Levu, Vanua Levu and Ovalau. This proposal was based on electricity tariff modeling adopted by ADB which included fuel component, non-fuel component, and self-insurance / natural disaster compensation.

FCCC conducted a thorough assessment of the submission that included past ten (10) years of financial performance, capital expenditure, operating expenditure, costs for transmission, generation, distribution and retail, and future plans for investments. In this process, FCCC with its strategic partnership with New Zealand Commerce Commission sought for peer review of the submission and determination of appropriate rate.

Further to the above, FCCC conducted stakeholder and public consultations around the country to get the views and insights of the people regarding EFL's proposal. Following this rigorous process, FCCC approved an increase in average electricity tariff of 2.74%, which came into effect from 1 October 2019. This equates to 0.0091 cents for domestic customers, institutions, places of worship and public infrastructure, 0.0109 cents for commercial customers and 0.0081 cents for industrial customers.

The figure below depicts the entire supply chain for electricity in Fiji, from generation to retail.



Generation

Hydro, Thermal and Diesel plants used to generate electricity.

Transmission

High Voltage Cables & associated network infrastructure used to carry electricity at high voltage.

Distribution

Small, low voltage associated cables used to carry electricity at low voltage to customers

Retailing

Selling of electricity to various customer categories

F. Steel Sector

I. Introduction of Reinforcement Steel Rods for Dayals Steels Pte Limited

Dayals Steels Pte Ltd (Dayals Steel) made a submission on local steel prices of deformed and plain bars. FCCC assessed the projected financial information, investment details, depreciation rates and loan amortisation. Furthermore, site visit was conducted to inspect the hot rolling mill. Following this, an interim authorisation was issued for Grade 300 & 500 Reinforcement Steels Rods prices that came into effect from 21 October 2019.



Site inspections at Dayal Steel Pte Limited

G. Cement Industry

I. Review of Bagged and Bulk Cement Prices for Pacific Cement Limited

Pacific Cement Limited (PCL) had made a submission for the review of local cement price, proposing an increase in local cement ex-factory prices. FCCC conducted a detailed review considering PCL's cost structure and business model.

Following the review, an average increase of 5.35% was granted. The Final Authorisation for Wholesale of Bagged and Bulk Cement for Pacific Cement Limited came into effect from 1 October 2019.



Price Control & Monitoring

The Price Control and Monitoring (PCM) department is responsible for administering price control, rent control and monitoring compliance to FCCC Act 2010 in accordance with the four (4) strategic goals outlined in FCCC's five year Strategic Plan (2018-2023).

Some of the key roles include:

- Conducting periodic review of prices of price-controlled items and where necessary issue price control orders through the approval of Minister of Commerce Trade Tourism and Transport; and determinations and authorisations through FCCC Board;
- Conducting routine and strategic inspections in trading premises around Fiji to monitor compliance to FCCC Act 2010;
- Receiving and investigating consumer complaints, including tenancy issues; and
- Conducting market surveillance, investigations and studies to evaluate existing price control or propose price control in markets where competition has weakened or lessened, and awareness activities in conjunction with Competition and Compliance department to promote knowledge of consumer and business rights and responsibilities.

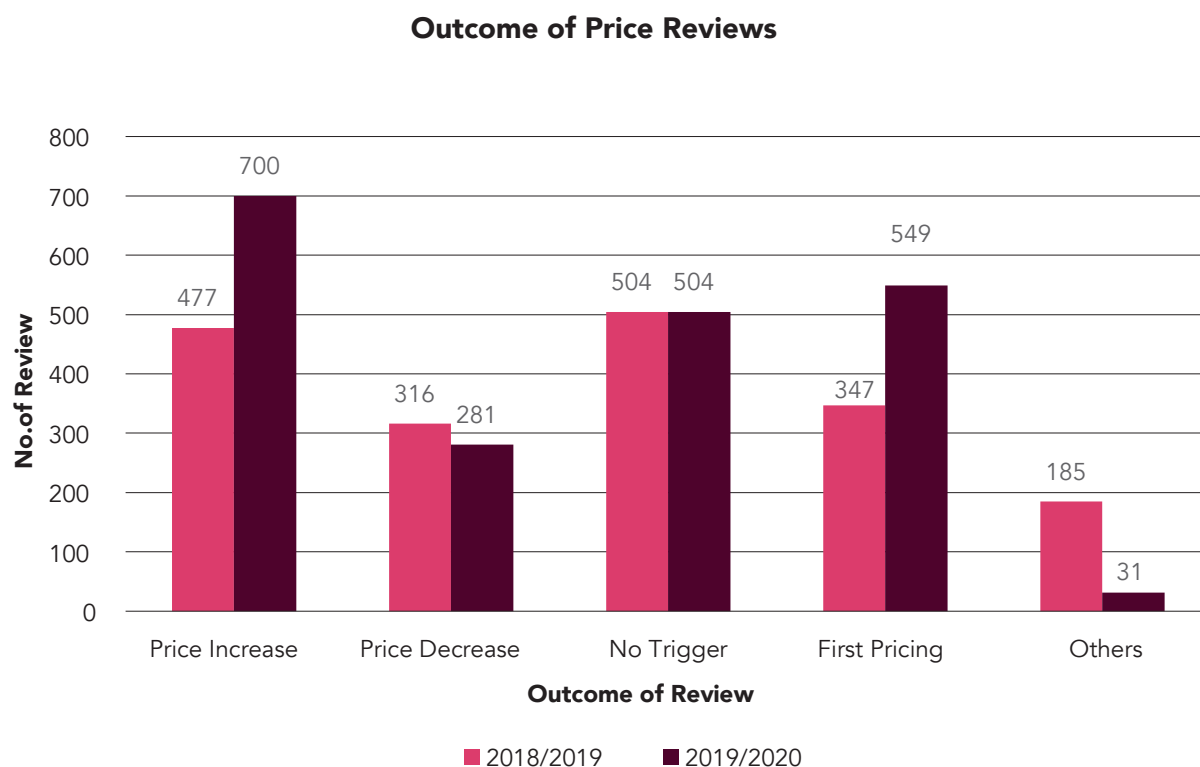
Price Control Section

This section is responsible for:

- Conducting periodic review of prices of price-controlled items and where necessary issue price control orders, determinations and authorisations through the approval of Minister of Commerce Trade Tourism and Transport and FCCC Board.
- Conducting market surveillance, investigations, awareness and studies to evaluate existing price control or propose price control in markets where competition has weakened or lessened.
- Conducting market research to inform pricing decisions.

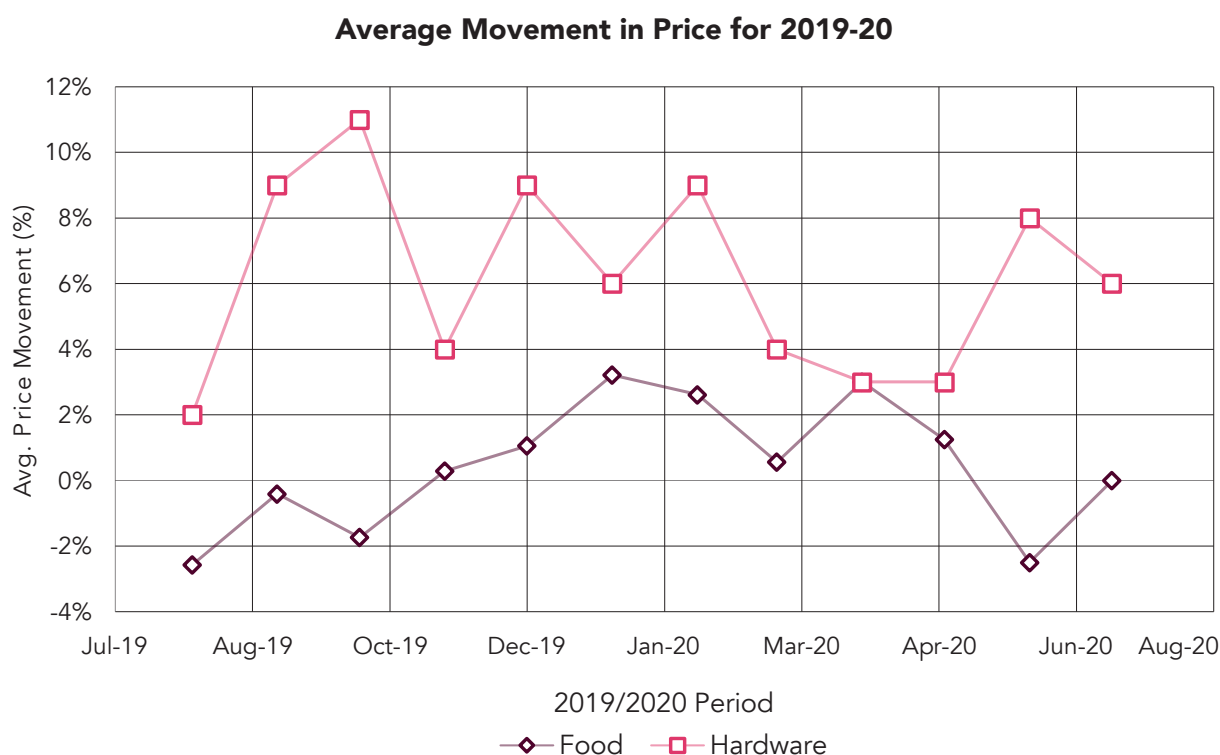
During the year, a total of 2,065 product price reviews were carried out compared to 1,829 reviews in the last financial year. The increase in number of reviews has been made possible by implementation of electronic pricing system. As at 31 July 2020, the system is handling pricing reviews for seven (7) categories of basic food items with additional categories to be added in latter part of year 2020.

The summary of reviews conducted is shown in the graph below.



(Source: FCCC Record)

There is an overall movement in prices for the basic food and hardware products by 3% for the year. This is shown in Graph 2 below. Outcomes of the review have mainly been caused by the effects of COVID-19 which has caused both national and international disruptions to supply from closed foreign trade borders and bottle-necked shipping ports.



(Source: FCCC Record)

Monitoring Section

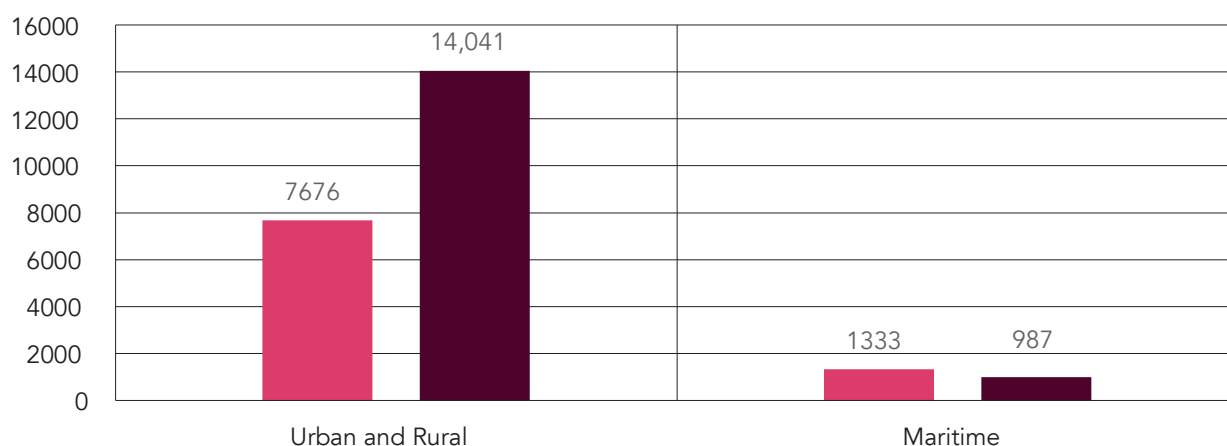
This section is responsible for:

- Conducting routine inspections in trading premises in Fiji to monitor compliance to FCCC Act 2010.
- Receiving and investigating consumer complaints relating to price-controlled items and enforcing FCCC Act 2010.
- Conducting market surveillance, investigations, awareness and studies to evaluate existing price control or propose price control in markets where competition has weakened or lessened.

Price Inspections

The graph below summaries the number of trader inspections carried out during the financial year. There has been significant increase in number of inspections that were carried out compared to last financial year. Maritime inspections have dropped compared to the previous year due to COVID-19 safety measures that restricted imposed on maritime travel.

Annual Trader Inspections Including the Maritime Region

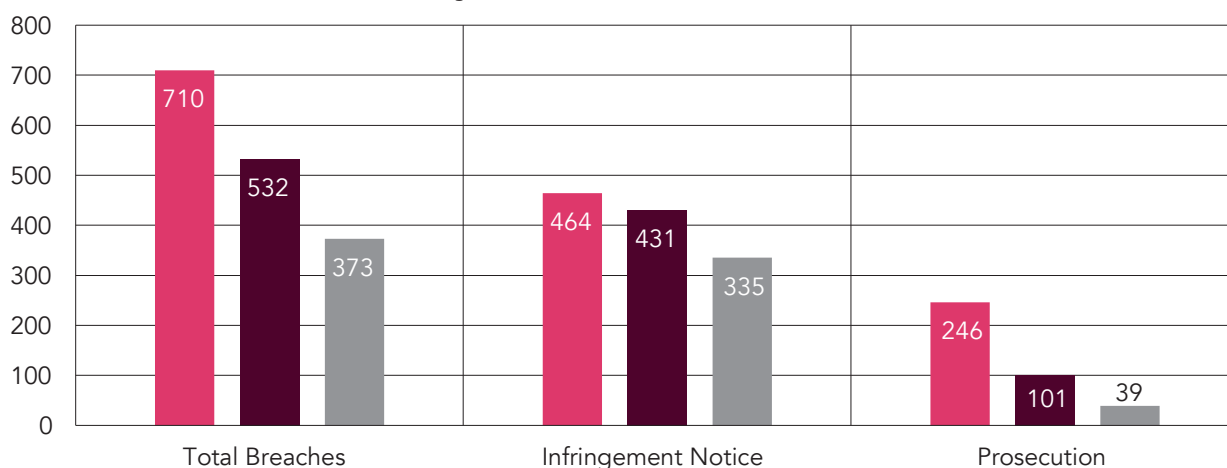


(Source: FCCC Record)

■ 2018/2019 ■ 2019/2020

From the inspections carried out, the table below provides summary of breaches by each division.

Summary of Breaches and Action Taken



(Source: FCCC Record)

■ Central Division ■ Western ■ Northern

Market Surveillance

The monitoring section also conducted surveillance of prices to ensure the duty reductions provided by Government on the six categories of consumer goods announced in 2019-2020 National Budget were passed on to consumers. A list of fifty (50) imported fruits and vegetables were also subject to the similar price surveys for the same objective of ensuring the duty reduction benefits gets to consumers.

During the outbreak of corona virus pandemic in Fiji, this was also extended to sanitising products to ensure that businesses do not attempt to gain unfair advantage by increasing prices during the difficult times.



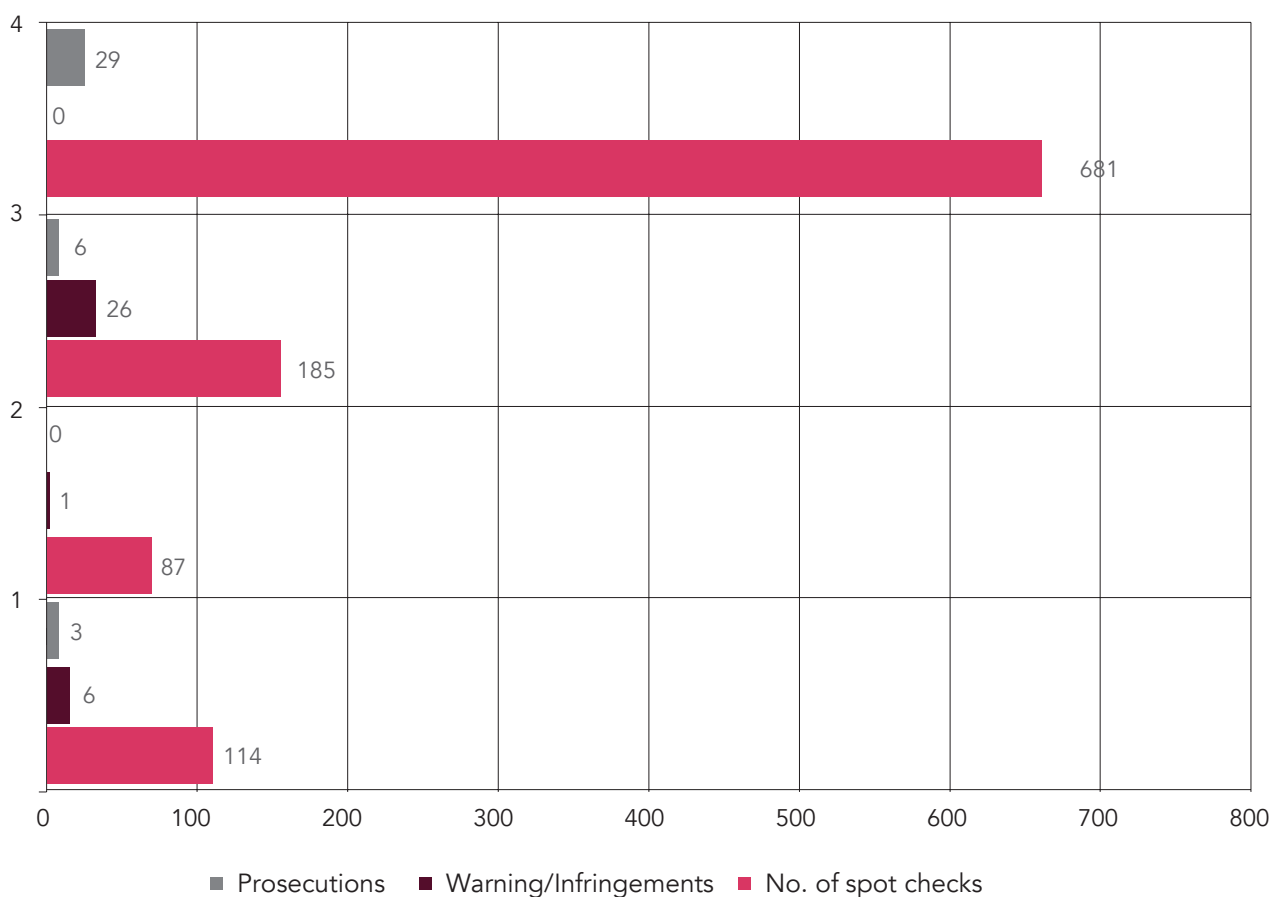
FCCC Officers conducting trader inspections around Fiji



Spot Checks

Spot checks were carried out in every quarter in conjunction with the review of prices for fuel and LPG products. This is summarised by each quarter in graph below.

Annual Summary of Spot Check

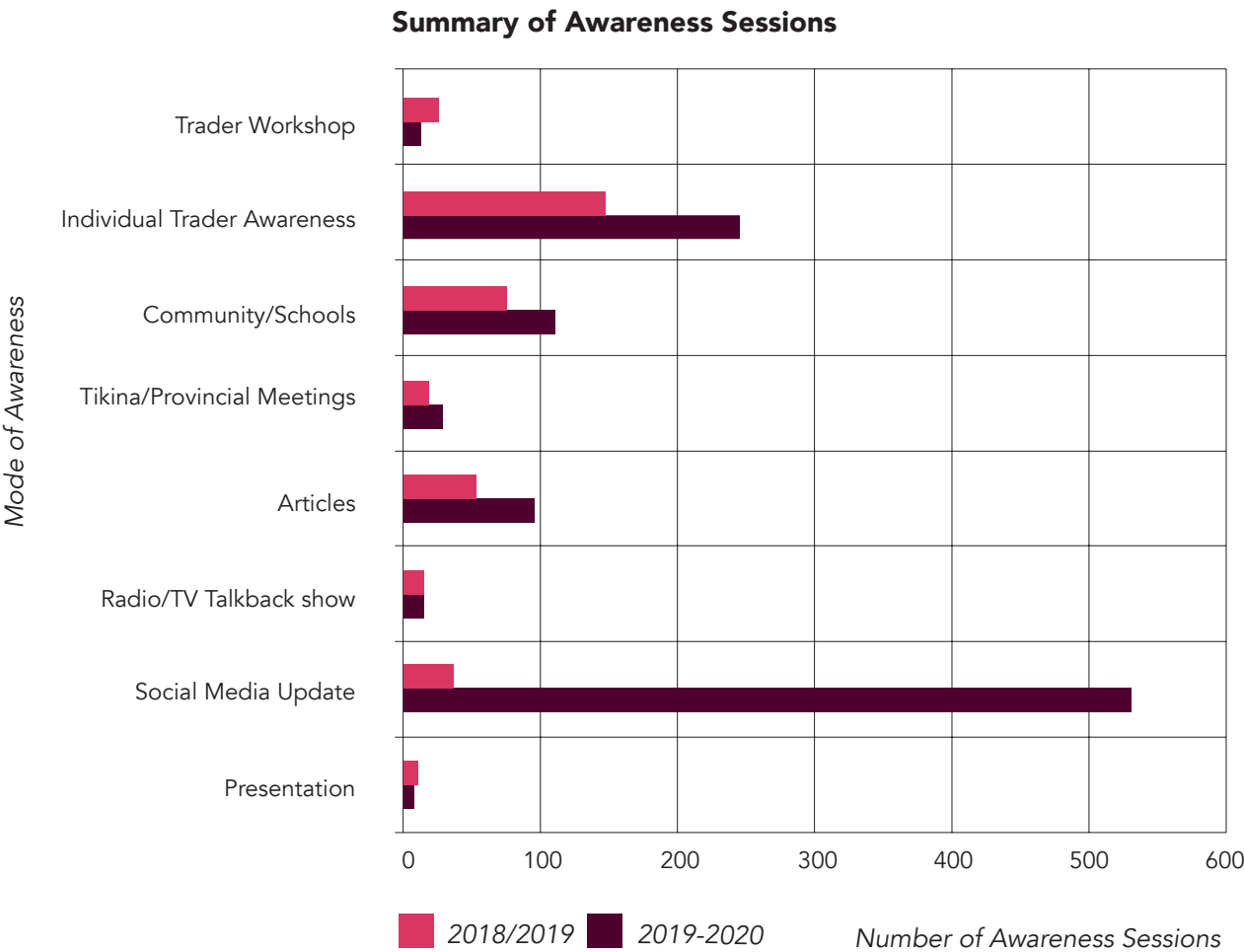


(Source: FCCC Record)

Awareness and Advocacy

FCCC uses the means of press releases, talk-back shows, community and school awareness, periodic articles, attendance to local government sanctioned forums, sponsored outreach programs, trader workshops, social media postings and face to face encounters to promote consumer and business rights and responsibilities and to advocate on FCCC's role and functions.

The graph below provides a summary of modes of awareness activities conducted during the year.

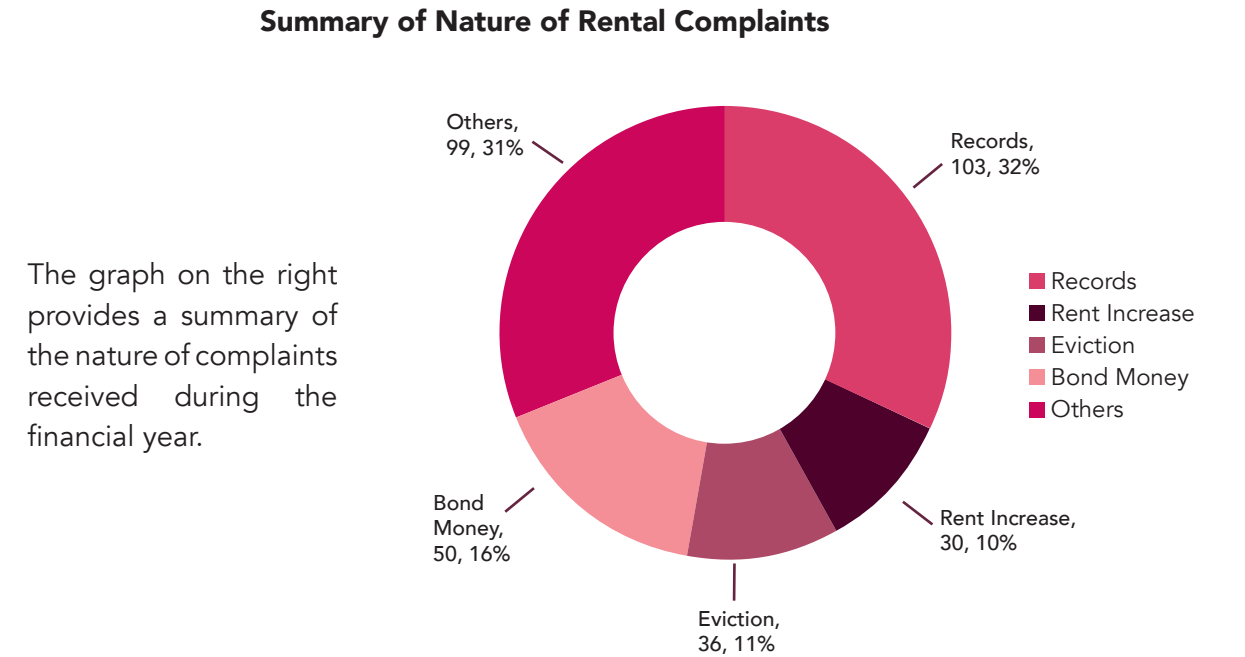
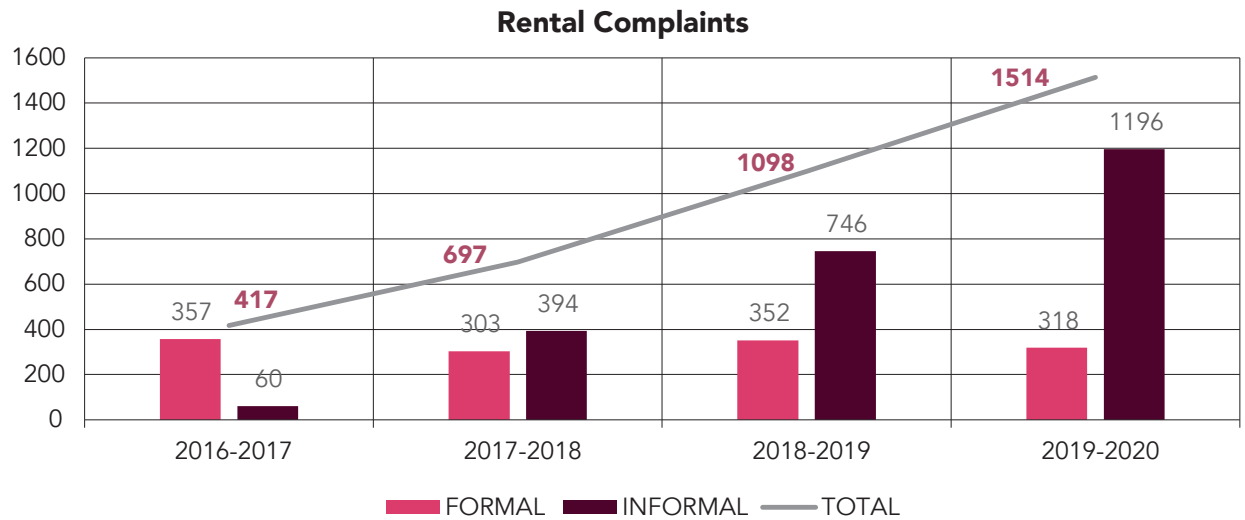


Source: FCCC officer conducting awareness

This section is responsible for enforcing rent control provisions of FCCC Act 2010. All residential and ground leases except for those covered under the iTaukei Land Trust Act 1940, the Banaban Lands Act 1965 and the Rotuma Lands Act 1959, are administered by the Rents Section.

During the year, this section had enforced the Fijian Competition and Consumer Commission (Rent Increase Restriction on Residential and Ground Rent) Order 2018 (which included 1 August 2019 to 31 December 2019) and the Fijian Competition and Consumer Commission (Rent Increase Restriction on Residential and Ground Rent) Order 2019 (which included 1 Jan 2020 to 31 July 2020) This Order is an extension of the rent freeze dating back to 2 March 2007.

The number of rental complaints increased by 38% compared to last financial year. This is shown in the trend graph below.



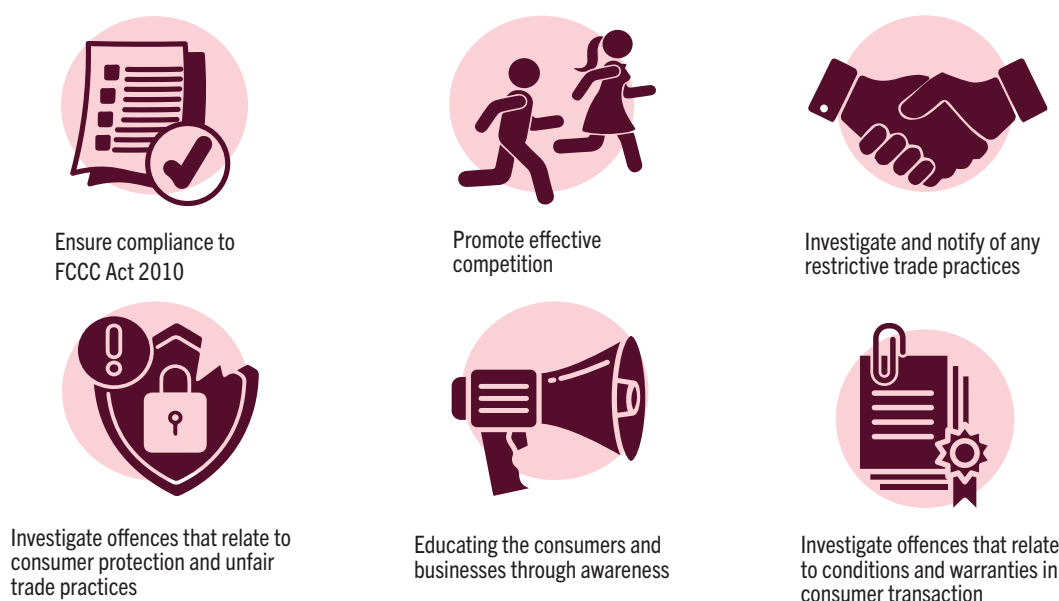
(Source: FCCC Record)

Competition & Compliance

FCCC is empowered to receive and investigate complaints concerning matters affecting competition and interest of consumers under the FCCC Act 2010.

The Competition and Compliance department is responsible for receiving and investigating complaints pertaining to unfair trade. The department engages in alternative dispute resolution mechanism, such as mediations, to enable fair and equitable remedy for consumers. Furthermore, the department is responsible for investigating restrictive trade practices, through which it endeavors to promote healthy competition and operational efficiency with the aim of affordable prices for goods and services, increased choices for consumers and greater economic growth in the Fijian market.

The basic functions of the Competition and Compliance is illustrated in the figure below.



The current structure of the department includes fourteen (14) members based in the three (3) divisions (Central, Western and Northern): Manager Competition & Compliance, one (1) Senior Compliance Officer, eight (8) Compliance Officers (1 vacant), two (2) Assistant Compliance Officers and two (2) Graduate Trainees.

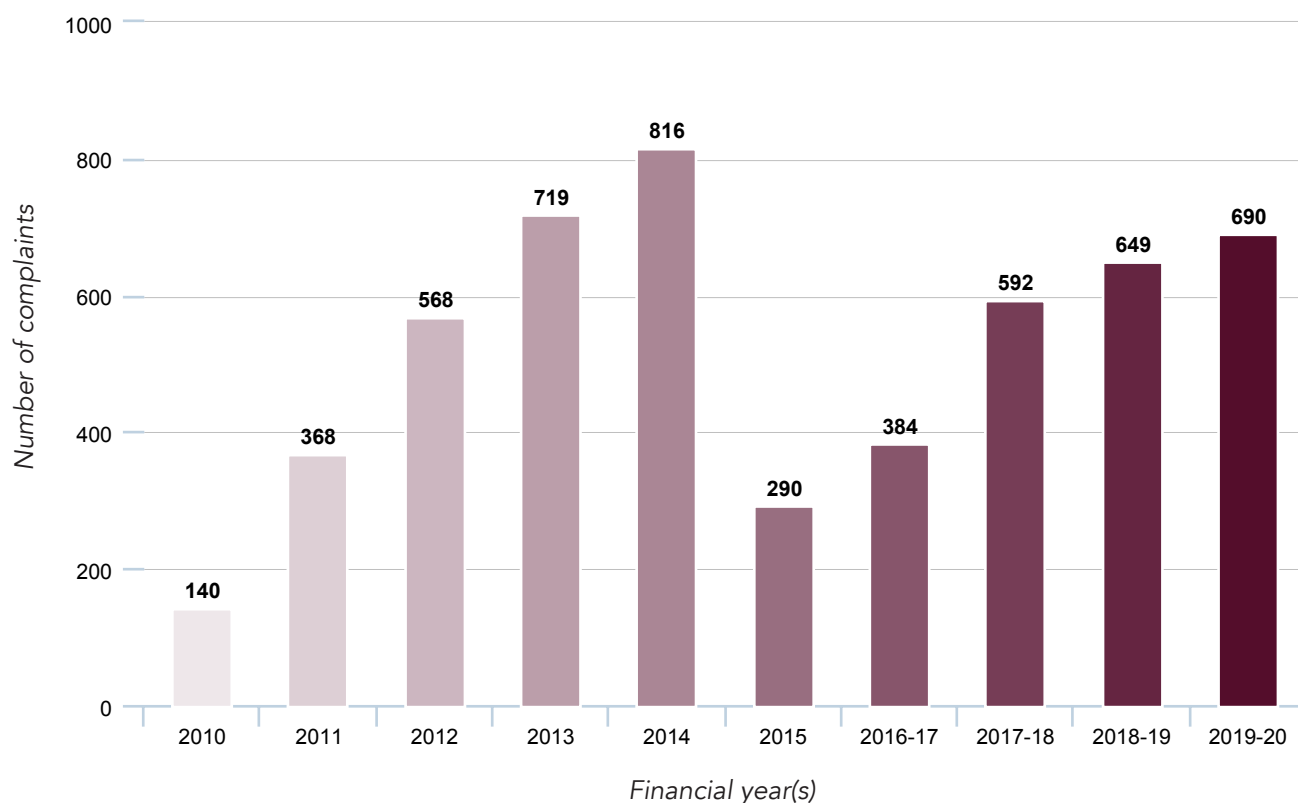
Complaints Handling

For the financial year, FCCC received and formalised a total of 690 complaints of which 350 cases have been successfully resolved, 17 cases recommended for prosecution, 141 cases are going through due diligence process and 182 cases are still under investigation.



FCCC personnel receiving and investigating complaints.

The chart below shows the trend of complaints received since 2010.



Breakdown of 2019-20 Cases by Division

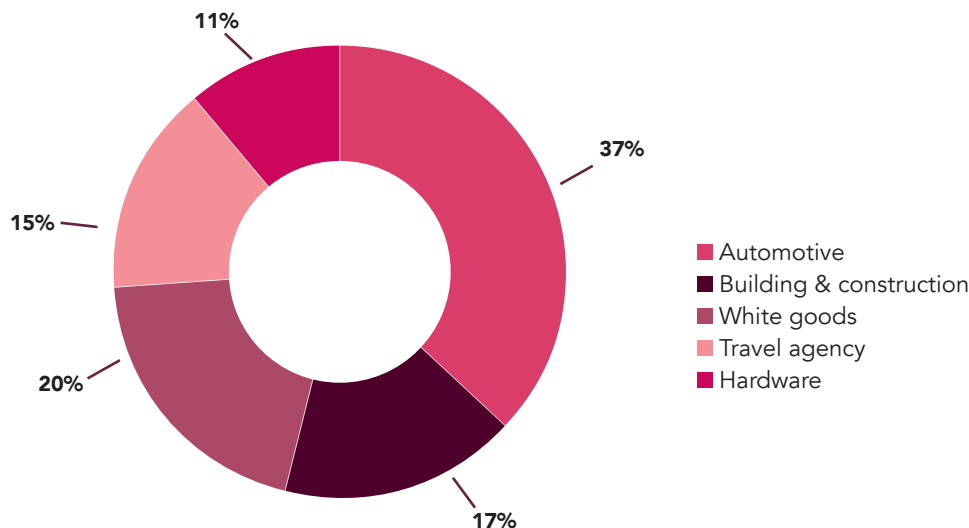
Central - 445

Western - 154

Northern - 91

There has been an increase in consumer complaints over the years due to:

- Consumers becoming more aware of their rights and responsibilities.
- Traders and service providers not being aware of the consumer protection provisions and their obligations under the FCCC Act 2010.
- Businesses being engaged in unscrupulous dealings.



Top Five Industries For Most Complaints Received

1. Automotive

FCCC does not regulate the automotive industry, however there is a Self-Regulating Guideline (SRG) in place that guides the industry to ensure it is compliant with the provisions of the FCCC Act 2010.

Majority of the complaints received by FCCC relating to the automotive industry are surrounding the following issues:

- Traders not willing to honor warranty;
- Non- disclosure of information relating to warranty;
- Holding the vehicle till the warranty period has lapsed and selling afterwards;
- Accepting payments and failing to supply;
- False and misleading representations about the vehicle;
- Supply and installation of improper motor vehicle parts; and
- Consumers are not given proper solutions by traders.

2. Building & Construction

The construction sector in Fiji is a multi-million-dollar industry. There are certain players in the market that tend to abuse their market power through refusal to supply products or services, unconscionable conduct, accepting payment without being able to supply, unfair contract terms, shoddy workmanship, false and misleading representation and misleading and deceptive conduct.

3. White Goods

There has been a rapid increase in number of traders entering this industry to offer a wide range of white goods products and its related services. Traders are offering several purchase options such as cash sale, lay-buy and hire purchase, which increases consumer affordability. While the number of complaints has decreased compared from last financial year, it is still in the top five industries where complaints originate.

4. Travel Agency

This area has come back into the limelight due to two (2) travel agents based in Western division that had solicited money from consumers and not provided the airline tickets.

5. Hardware

The hardware sector has been growing at a rapid pace due to demand for proper shelter by ordinary Fijians. Complaints range from traders not being able to supply the correct materials as ordered, accepting payments and not supplying the items as ordered, and warranty issues on power tools.

Major Investigations

1. Travel Agents

During the financial year, FCCC conducted investigations into complaints received against two travel agencies, where it was claimed that these businesses had solicited money from customers and not provided the airline tickets. Both of these businesses are based in the Western Division.

In total, thirty-eight (38) complaints were received, of which one (1) case has been resolved, two (2) cases have been recommended for prosecution, twenty-six (26) cases have been handed to Fiji Police Force for further criminal investigations, six (6) cases are in due diligence process and three (3) cases are under investigation.

2. Price Gouging – COVID-19 Response

The COVID-19 pandemic was officially declared in Fiji during March 2020. This resulted in major economic disruptions, international travel was halted and areas specific areas in the regions were locked down to avoid spread of the disease.

The World Health Organizations published its guidelines outlining ways to avoid spread of the disease. Use of personal protective equipment such as masks and hand gloves, and antiseptics and hand sanitizers were noted to be essential in stopping the contamination.

This presented an opportunity for unscrupulous business activity, whereby supermarkets, pharmacies, wholesales, distributors could engage in price gouging (artificially increasing prices of the items) to take advantage of panic driven consumer behaviour noted once pandemic was declared in Fiji.

Given the likelihood of such a scenario, FCCC undertook price gouging investigations during

the COVID-19 period to ensure traders do not engage in unethical business practices and to prosecute those found to be breaching the law. A total of twenty-three (23) traders were investigated, of which two (2) traders taken to Court, two (2) traders issued with warning letters, one (1) trader was found not in breach and matter has been closed, matters on five (5) traders are in due diligence process, and investigation on thirteen (13) traders is continuing.

Mergers and Acquisitions

Mergers and acquisitions are important for any economy to ensure efficient functioning of firms. This allows firms to achieve efficiency, economies of scale, economies of scope, diversify risk across a range of business activities and also provide a mechanism to replace the management of underperforming firms for future growth.



Some of the benefits of mergers and acquisitions include better supply of goods and services and more economical prices provided there is sufficient competition to self-regulate the market. On the other hand, mergers and acquisitions can also alter the market structures, resulting in substantial lessening of competition and thereby having detrimental effects on consumers.

As such, it is important that the mergers and acquisitions are thoroughly assessed to ensure anti-competitive behaviour does not prevail. In Fiji, it is a contravention of the FCCC Act 2010 for a person to acquire shares in or assets of a body corporate if to do so would or would be likely to place them in a position to dominate the market. As such, FCCC's role is to assess these potential breaches and ensure that they are not likely to result in the lessening of competition in the Fijian market.

1. Acquisition of Pacific Direct Line International Pte Ltd by Pacific Neptune Lines (UK) Ltd

Pacific Neptune Lines (UK) Limited (PNL), an affiliate of Neptune Pacific Line Pte Ltd made a voluntary application in July 2019 for assessment of the proposed acquisition of 100% of shares in Pacific Direct Line International Pte Ltd (PDL) from Pacific International Lines Pte Limited (PIL) and other minority shareholders.

FCCC conducted an assessment of the pre-merger conditions and likely post-merger outcomes through stakeholder consultations, meetings with the merging parties and information provided by the merging parties. Based on the assessment, two main areas of concern were established.

The first concern was the risk that this acquisition could weaken competition in the market for shipping services on the New Zealand – Fiji route and the second concern was that this could lead to concentration in the agency services market, which would have a knock-on effect on the shipping services market.

The first concern was alleviated by the sufficient likelihood of timely entry, on a large enough scale, by another market player on the New Zealand – Fiji route. The barriers to entry on this route are minimal.

The second concern posed a more significant challenge because the merging parties were prominent in the market for agency services. Between them, PDL and PNL own the following agencies: Transam, Williams & Gosling and NPT Agency. These firms represent the following shipping lines: NPL, PFL, CMA-CGM and ANL-Sofrana (NPT Agency); HSDG and Matson (Williams & Gosling); PDL and PIL (TransAm). During the consultations, stakeholders raised concern that this would result in significant concentration in the market and could possibly become anti-competitive. They would be unwilling to use an agent who either represented or was owned by a competitor. Stakeholders typically expressed concern about the incentives that these “conflicted” agents would have to represent them properly, and the possibility that confidential information would leak to a competitor who was part of the same group of companies as the agent.

This concern was alleviated through an undertaking signed by NPL and FCCC and subsequently approval for the merger was granted by the then Minister for Industry Trade and Tourism, Honorable Premila Kumar. The provisions of the undertaking became effective from date of completion of merger on 13 March 2020 and FCCC is continuing to monitor adherence to these provisions.

2. Acquisition of Pacific Cement Pte Ltd by Basic Industries Pte Ltd

Fijian Holdings Limited (FHL) made an application, on behalf of Basic Industries Pte Ltd (BIL), for assessment of the proposed acquisition of Pacific Cement Pte Limited (PCL) by BIL. The acquisition was intended to enable PCL to achieve operational efficiency and enable both companies to share resources, thereby providing synergies in areas of human resources, plant and cost-effective freight logistics to different geographical markets within Fiji.

Both BIL and PCL are subsidiaries of FHL. This was vertical integration. Financial analysis for PCL revealed that gross profit ratio and total expense to total income ratio had deteriorated over the years.

FCCC noted that PCL does not hold monopoly status in market for cement and this would not change post-acquisition. PCL is regulated by FCCC and the regulation will continue. BIL will be required to furnish separate audited financial statements for PCL division for regulation purposes. There were no objections from other shareholders regarding this acquisition.

Based on the assessment it was concluded that this merger would not create a position of dominance for the merging parties that could result in substantial lessening of competition in the Fijian market. Thus, the acquisition of PCL by BIL was approved.

Self-Regulation – Voluntary Compliance Framework

Voluntary Compliance Framework (VCF) is a proactive strategy for promoting compliance to FCCC Act 2010 by engaging the business community as a strategic partner in the process of complying with and enforcing the Act. This was introduced during last financial year to promote self-regulation in an attempt to promote consumer welfare, reduce breaches and strengthen compliance.

This has been made possible by businesses being proactive and willing to self-improve. This provides them with the opportunity to promote themselves as good corporate citizens, which endears them to the consumers.

FCCC facilitates the process by providing guidance; information; training/workshops; developing code of conduct/practice; and setting out simplified compliance with periodic audit checks and notices to improve/strengthen compliance. This strategy has enabled FCCC to promote good governance practices within the business community with the added advantage of being able to better utilise its time, money and resources on matters that have greater national impact.

The VCF has been introduced for trial in urban centers for basic food, pharmaceutical and hardware sectors. The following businesses came on board during the financial year to implement within their operations: Vinod Patel & Co Limited, Motibhai Group of Companies t/a Prouds, Kalabo Investment Pte Limited t/a Shop N Save Supermarket and Kasabias Limited.

Since joining this initiative, an overall positive change has been noted in the way these entities conduct their business. This has been commenced with the expectation that it will become a more viable long-term solutions to achieving compliance to the Act, whereby businesses are encouraged to do good rather than having legislation enforced upon them due to breaches.



Legal, Risk Management & Governance

The Legal, Risk Management and Governance department is responsible for all litigation matters against and by the FCCC.

The department ensures legal representation in all such cases. It provides sound legal advice to FCCC concerning provisions in FCCC Act 2010 (FCCC Act), Price Control Orders, Self-Regulating Guidelines (SRGs) and other relevant laws. Legislative drafting in reviewing of Orders, SRGs and other laws is a key role of the department.

Additionally, the department responsible for identifying and mitigating risk within FCCC and ensures good governance is always practiced. Moreover, the Department assists the other departments in ensuring that the decisions made are not in conflict with other relevant laws.

The Department succors' other departments by providing legal opinions on issues pertaining to breach of provisions of the FCCC Act. The Department vet's external correspondence to ensure there are no legal implications in letters written to traders, stakeholders, respondent's, and any other external party(s).

The current structure of the department includes six (6) members: Manager Legal Risk & Governance, one (1) Senior Legal Officer (vacant), three (3) Legal Officers and one (1) Assistant Legal Officer.

Apart from this, FCCC has two law firms in its panel of approved external lawyers, who are utilised when the need arises. These firms are Tirath Sharma Lawyers and Cromptons Fiji.

Litigation Matters

During the financial year, FCCC litigated close to 400 matters. Three new precedents were set this financial year, traders being fined a substantive fine of \$50,000.00 including compensation to be paid to affected consumers. These cases were:

- FCCC v Melbourne Works Limited (case No. 77/2018) – the Defendant was charged with one (1) count of accepting payment without being able to supply, contrary to the FCCC Act 2010. The Court imposed a fine of \$50,000 against Melbourne Works Limited ("MWL") and in default a Distress Warrant to be issued. Furthermore, MWL was ordered to pay \$1,850 as compensation to the Complainant and \$200 as prosecution costs.

- FCCC MWL (case No. 82/2018) – the Defendant was charged with one (1) count of accepting payment without being able to supply, contrary to FCCC Act 2010. The Court imposed a fine of \$50,000 against MWL and in default a Distress Warrant to be issued. Furthermore, MWL was ordered to pay \$8,000.00 as compensation to the Complainant and \$200 as prosecution costs.
- FCCC v Saad Anjab t/a Paradise Cars (case No 698/2019) – the Defendant was charged with one (1) count of accepting payment without being able to supply, contrary to FCCC Act 2010. The Court imposed a fine of \$1,000 against Saad Anjab t/a Paradise Cars (Saad Anjab) and in default 100 days imprisonment. Furthermore, Saad Anjab was ordered to pay \$5,530 as compensation to the Complainant and \$100 as prosecution costs.

On 17 March 2020, the Suva High Court dismissed an appeal by Carpenters Fiji Limited t/a MH SuperFresh against a sentence of \$20,000 fine issued by the Suva Magistrate Court and re-affirmed the sentencing as appropriate for the offence committed. The defendant had been charged with one (1) count of false and misleading representation contrary to FCCC Act 2010.



Legal counsels of FCCC

Given the prosecutorial powers the FCCC has pursuant to section 131 of the FCCC Act 2010, there were total of 414 cases before the Magistrate Court as of 31 July 2020. These are summarised in table below.

FCCC cases in Magistrate court as of 31 July 2020

Name of Offence	Central	Western	Northern	Total
Overcharging	20	14	15	49
Non-Marking or Prices/ Display	18	3	11	32
Failure to Furnish information as requested by the Commission	1	1	-	2
Failed to pay on Spot penalty	-	4	-	4
Not issuing Tax Invoice	-	1	-	1
Fail to keep records	23	4	1	28
Accepting Payments without being able to supply as ordered.	174	4	2	180
Rent	18	8	1	27
False and Misleading Advertisement	3	11	-	14
Price Advantage	-	-	1	1
False or Misleading Representation	14	-	7	21
Unconscionable Conduct	5	7	-	12
Failure to Comply Undertaking	1	-	-	1
Multiple Charges	37	-	-	37
Others	5	-	-	5
Total	319	57	38	414

Source: FCCC Legal Department

Risk Management

Risk management is an important mechanism for any organisation. It enables an organisation to define its objectives for the future by proactively considering the risks involved that could derail the achievement of the objectives and result in the organisation losing its way.

FCCC has adopted a risk management policy and risk management guideline. Furthermore, risk assessment form has been introduced to properly document and assess risks that are identified and then noted in the risk register.

The risk management policy outlines risk management processes and procedures and the reasons for adopting these. The policy also includes a framework for the risk register, such as what it should include, what is the risk review period, how the Risk Register is to be maintained, how risks are to be divided into risk areas and how the risk owner(s) is/are identified.

The risk management guideline further elaborates on the risk register, the responsibilities of risk owners, how risk owners are identified, actions required by risk owners, the need to have a risk evaluation / assessment form, the evaluation and scoring of risks, and mitigation processes.

In FCCC, risk management process and procedures are applied at all levels of the organisation and it is the responsibility of every personnel to ensure risks are proactively identified, assessed, recorded, mitigated and monitored.



Human Resources



The Human Resources department is responsible for talent acquisition, administration of talent management plan, management of employee and labour relations, administration of employee benefits and wellness programs, facilitation of staff performance evaluation process, provision of professional development opportunities for employees, maintenance of employee personnel files, management of employee risk and safety initiatives, administration of the Labour Management Consultative Committee, and provision of other vital services for the FCCC employees from their first day of employment till the end of their tenure.

The current structure of the department includes four (4) members: Manager Human Resources, two (2) Human Resource Officers (1 vacant) and one (1) Graduate Trainee.

FCCC Workforce

We work in a dynamic environment where, as FCCC continues to change, our workforce must evolve. Our employees come from a variety of backgrounds and represent the diversity of FCCC Workforce. As such the workforce must be supported by an environment that encourages innovation, collaboration, and partnership at all level which consistently achieves the FCCC Vision and Mission.

The FCCC's workforce stands at seventy - five (75) employees as of 31 July 2020, which includes sixty-six (66) Full Time Equivalent Staff (FTE), eight (8) Graduate Trainee and one (1) Overseas Development Institute fellow.



The table below represents FCCC's staff allocation as at 31 July 2020.

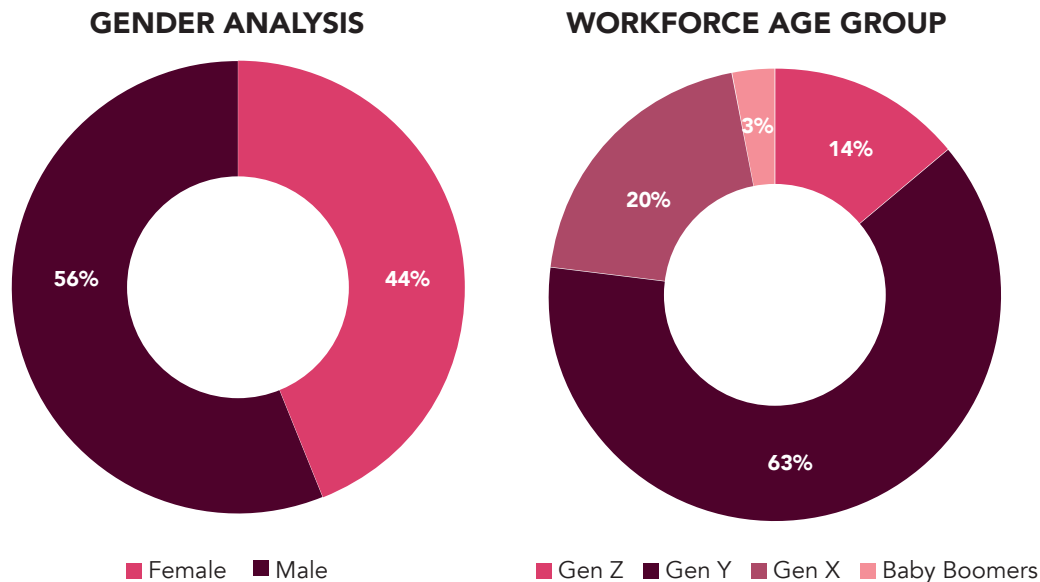
Department	Total Staff	Central Division	Western Division	Northern Division
Executive Management	2	2	-	-
Finance & Corporate	21	16	3	2
Human Resources	2	2	-	-
Information & Technology	2	2	-	-
Economic Regulations	6	6	-	-
Price Control & Monitoring	15	11	2	2
Competition & Compliance	11	7	2	2
Legal	5	5	-	-
Audit	2	2	-	-
Sub-total (FTE's)	66	53	7	6
Overseas Development Fellow	1	1	-	-
Graduate Trainee	8	5	2	1
Total Staff	75	59	9	7

Source: FCCC Human Resources Department

Workforce Demographics

FCCC encourages gender equality and as such employs total of 44% Female workers and 56% of Male workers.

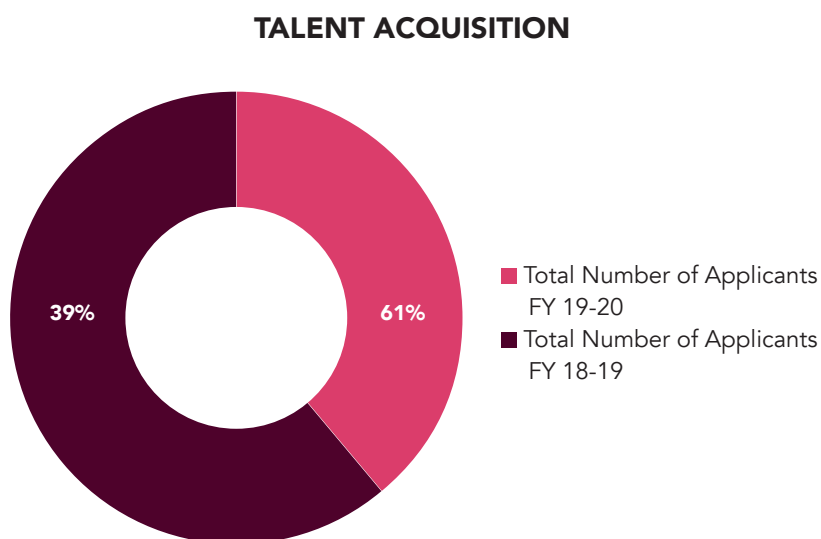
The graphs below represent the staff capacity based on gender and workforce age group for the Financial Year Ending 2019-2020.



Source: FCCC Human Resources Department

Talent Acquisition

Over the past two financial years, FCCC has received a total of 2,551 applications. The graph below shows the composition of applications over the two years.



Source: FCCC Human Resources Department

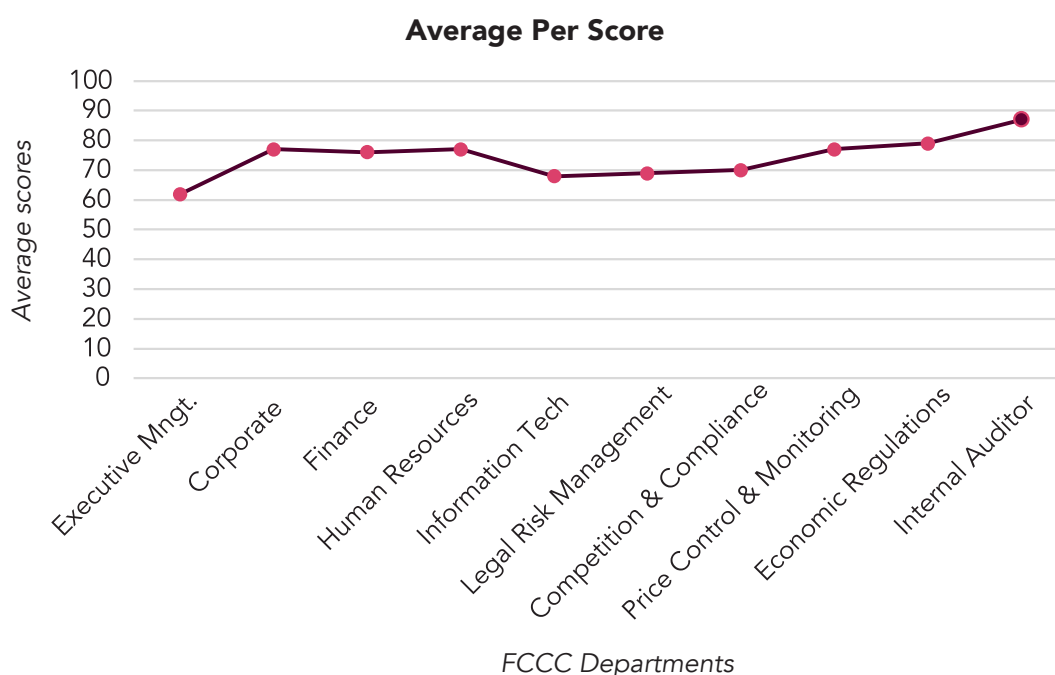
Workforce Engagement

The Human Resources Department organised the following events during the financial year as part of staff engagement:

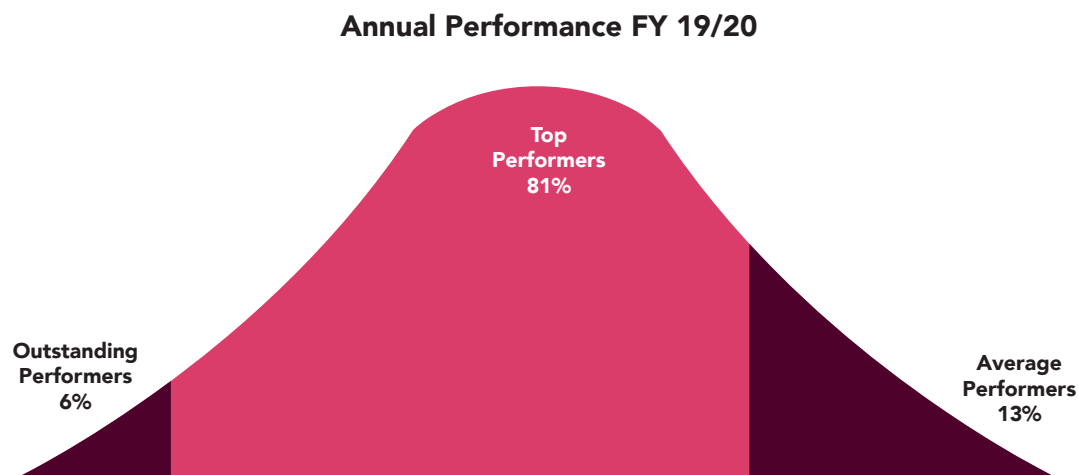
- *Staff birthday celebration* - every month end staff birthdays were celebrated collectively in all divisions.
- *Quarterly staff appreciation* - every quarter staff appreciation event was organised whereby staff were commended and recognised for their performance over the quarter.
- *Annual function* – this was organised to appreciate the hard work by staff throughout the financial year and celebrate the success of FCCC.
- *Employee counselling with Empower Pacific* - organised for all staff to take advantage of this opportunity to address any issues that they may have for their betterment.
- *Religious functions* – the major religious functions were celebrated to appreciate and recognise the diverse culture of Fiji.
- *I-Care health scheme* – in-house medical scheme was introduced for reimbursement of staff outpatient medical bills when sick.
- *Full medical checkup* – free full medical checkup for all staff followed by private session with the doctor to discuss the general health of each staff and areas to improve upon.
- *Staff uniform* – FCCC corporate uniform was introduced for all the staff members.
- *Summer internship program* – eight (8) student interns were provided with the opportunity to work in FCCC and gain broad overview of its functions as well as gain some experience in workforce. Each intern was matched to a department in an area relevant to the student's area of study. This gave them a rewarding and rich experience that would hopefully aid them in making future career decisions.

Performance Management

FCCC workforce has performance management system in place to measure the competency and the capability of each staff member, through set key performance indicators at the start of each financial year. This is the best practice approach that ties and cascades strategic goals with the employees' personal work goals.



The organisation overall has been performing well as depicted in the graph below.



Training & Development

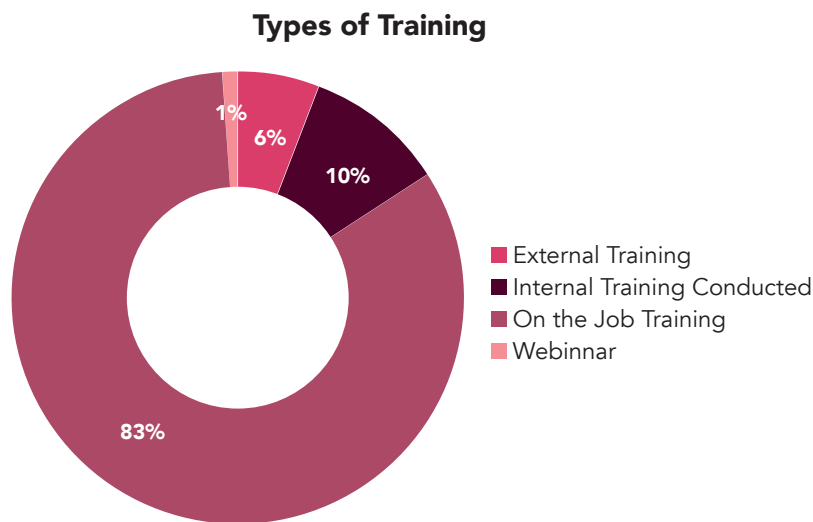
At the start of the financial year, a Training Needs Analysis was conducted to identify the areas of development at an individual, departmental, and organisational level. This enabled formalisation of an annual training calendar outlining the talent development throughout the organisation.

This led FCCC to achieve a total of three thousand five hundred ninety-seven (3,597) hours of training which included internally organised training, externally organised training, webinars and on the job training. The table below provides average training hours per FTE.

Total Training Hours	Total number of FTE's	Average Training Hours per FTE
3,597	75	47.96

Source: FCCC Human Resources Department

The figure shows the percentage of training conducted by different modes of training.



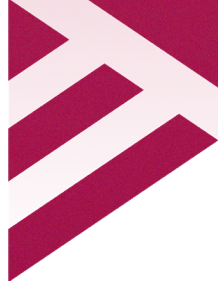
Source: FCCC Human Resources Department

Management & Leadership Development

FCCC, as a regulatory, competition agency and enforcement body, operates in a very challenging environment, where expectations from various stakeholders and general public have to be balanced to ensure a fair and equitable outcome is achieved in the market. This places a number of key challenges on Management, who are required to adopt various leadership styles to ensure staff are properly motivated and stakeholder experience and good corporate governance practices are maintained. The Management team participated in a number of training that included:

- Mentoring session with the mentors outside of FCCC;
- Executive leadership coaching conducted by the FCCC CEO;
- Participation in the Leadership Fiji course;
- Strategic management workshop;
- Management gap analysis exercise;
- Open merit recruitment system training; and
- Strategic human resources management workshop.





Information & Communications Technology

The Information & Communication Technology (ICT) department is responsible for ensuring that FCCC remains technologically agile and is able to leverage the various advancements taking place in order to better serve the ordinary Fijians and stakeholders.

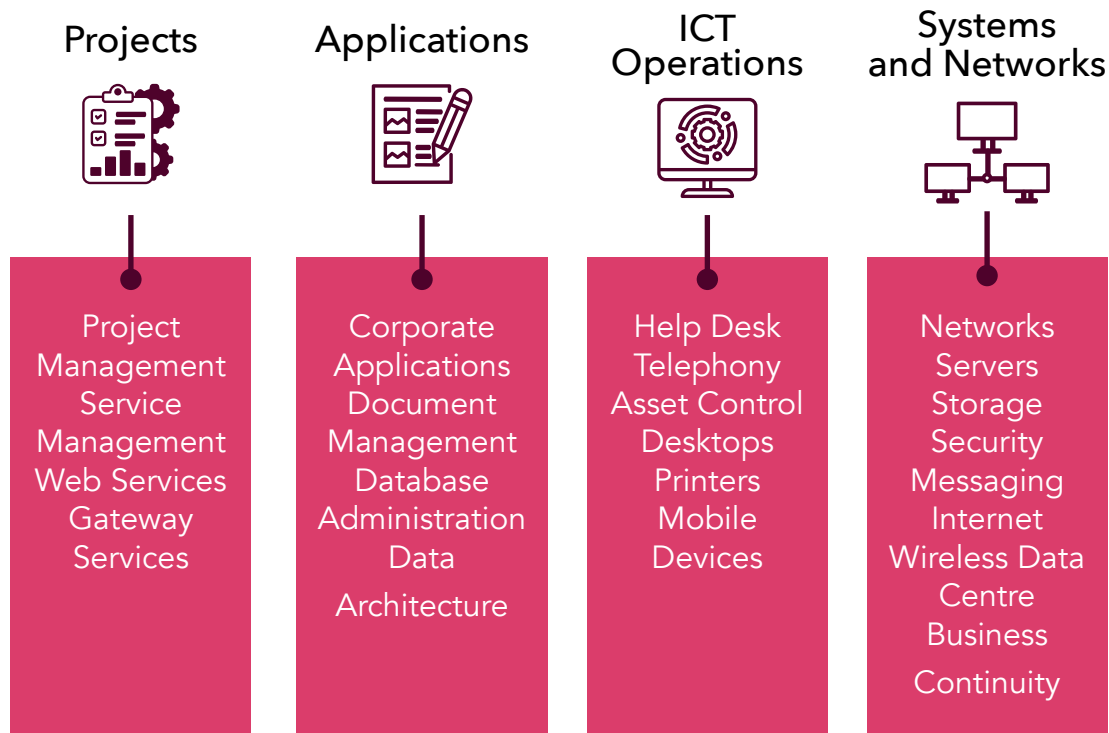
In recognition of the above, a fully fledged ICT department was established in 2019 and Manager ICT was recruited accordingly. Prior to 2019, all ICT related issues, purchase of ICT related assets were handed by an ICT officer and sole member of the ICT Department. The current structure of the department includes four (4) members: Manager ICT, one (1) Systems Analyst (vacant), one (1) ICT Officer/Data Analyst and one (1) Graduate Trainee.

During the financial year, the ICT department has developed its strategic plan to support the FCCC five-year strategic plan 2018-23. This strategic document defines the purpose of the department and sets out a roadmap of how the department will support FCCC in digital transformation over the years.

Apart from the above, the ICT policies and procedures have been developed to guide the work

“...the ICT department has developed its strategic plan to support the FCCC five-year strategic plan 2018-23.”

processes and protect FCCC's technological assets.



The ICT operations are categorised in four broad categories as shown in the figure below.

Electronic Pricing Software

During the financial year, FCCC has introduced electronic pricing software. This allows stakeholders to lodge applications for pricing review and track the status of the reviews. Currently, it is being used to conduct daily price reviews of seven (7) categories of basic food items – onion, potato and garlic.

The software has resulted in major reduction in time taken to conduct price reviews for these products. The plan for way forward is to bring more categories of price control products and regulatory reviews online so that the reviews can be done more efficiently and with more transparency.

Case Management System

During the financial year, FCCC has also introduced a Case Management software which is its core enterprise resource planning software for enforcement.

With this software, FCCC is now able to track the complaints received through to its resolution, whether that be internally resolved by FCCC or lodged with the Court.

This has brought greater accountability and efficiency in the complaints handling and resolution

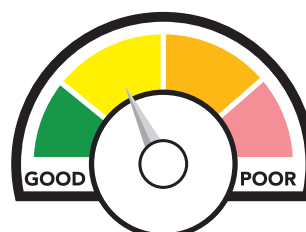
process.

Information Technology Dashboard

ICT department's key performance indicators have been aligned into four (4) categories as



IT Performance 2018-19



IT Performance 2019-20

Information Technology Dashboard 2019-20

shown in the figure below. Items marked by GREEN indicate reporting metrics that compare positively to benchmarks, while YELLOW indicate work in progress.

IT Governance	2018-19	2019-20
Strategic Alignment	—	+
Business Value Delivery	—	+
Risk Management	—	+
Resource Management	—	+
Performance Measurement	—	+

Service Delivery	2018-19	2019-20
Staffs Satisfaction	—	+
Vendor Partnership	—	+
Business Process Support	—	+
Infrastructure Availability	—	+

IT Sustainability	2018-19	2019-20
Applications Management	—	+
Project Performance	—	+
Financial Performance	—	+
Compliance	—	+

IT Innovation & Learning	2018-19	2018-19
Workforce Competency	—	+
Advanced Technology Use	—	+
Methodology Currency	—	+
Employee Retention	—	+

Looking Forward

As FCCC continues to grow at a tremendous pace, the role of ICT in fostering this growth and ensuring FCCC leverages technology to the best of its ability has become very important. ICT looks forward to another challenging, exciting and value adding year ahead, where a number of projects have been planned to further the digital transformation of FCCC.



Internal Audit

The Internal Audit department is an independent, objective assurance and consulting unit whose activities are designed to add value and improve FCCC's operations.



It helps FCCC accomplish its objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of risk management, control, and governance processes.

The current structure of the department includes two (2) members: one (1) Internal Auditor and one (1) Assistant Internal Auditor.

The Internal Audit directly reports to the Board through Finance and Audit Sub-Committee and 2019/2020 was a year of performance as the department ventured into conducting various performance and special audits. In addition, in every Full Board and Board Sub-Committee meetings, the presence of internal audit was made compulsory as an independent member.

The internal audit took an integrated audit approach in this financial year where it carried out operational, compliance, financial, performance and special audits simultaneously. A summary of the audit work conducted by the department is tabulated below.

Audit Type	Audit Focus
Operational & Compliance Audit	All Department
Financial Audit	Finance Department
Performance Audit	Feasibility Achievement of FCCC Strategic Plan
	Relevance, Compliance & Monitoring of FCCC Orders
	Review of FCCC Case Management System (CMS)
Special Audit	Salary Review
	Veilomani Food Bank Review
	Immediate Audit Issues
COVID 19 Assistance	Assisting Competition & Compliance Department in investigating complaints received.

Source: FCCC Audit Department

Continuous trainings and professional development are essential for auditors where we undergo various trainings such as corporate governance, investigation and assisted Competition and Compliance Department during the COVID-19 pandemic.

Apart from the normal audit work, the internal audit also heads the OHS Committee, Wellness Club Committee and a proactive independent contributor to management and staff meetings.

We thank our Heavenly Father Yahweh God, his Son Jesus Christ and the Holy Spirit for his blessings, guidance and provisions throughout the year and we look forward to the next consecutive successful year.

CORPORATE & FINANCE

The Corporate & Finance department supports the overall operations of the FCCC, which is critical in achieving the vision and mission through the delivery of key corporate services that vital to the success of the organisation.



Primarily, the department includes functions of finance, procurement, executive support, research, communications, customer service and administration.

The current structure of the department includes twenty-three (23) members based in the three (3) divisions (Central, Western and Northern): Manager Corporate & Finance, Regional Manager Central (vacant), Regional Manager West, Regional Manager North, one (1) Senior Accountant, two (2) Finance Officers, one (1) Administration Officer, two (2) Projects Officers (1 vacant), one (1) Executive Assistant, one (1) Senior Research & Policy Officer, one (1) Research & Policy Officer, one (1) Communications Officer, five (5) Customer Service Officers, one (1) Receptionist, one (1) Registry Officer, one (1) Driver/Messenger and one (1) Hospitality Officer.

The audited financial statements for FCCC for year ended 31 July 2020 is provided in the next section.

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2020

1-2	Commissioner's Report
3	Statement By Commissioner
4-6	Independent Audit Report
7	Statement of Comprehensive Income
8	Statement of Financial Position
9	Statement of Chnges in Equity
10	Statement of Cash Flows
11-20	Notes to and Part of the Financial Statements

**FIJIAN COMPETITION AND CONSUMER COMMISSION
COMMISSIONER'S REPORT
FOR THE YEAR ENDED 31 JULY 2020**

The Commissioners present their report together with the Financial Statements of the Fijian Competition and Consumer Commission ("the Commission") for the year ended 31 July 2020.

Commissioners

The Commissioners in office at the date of this report were:

Name	Position	Appointed On	Effective Till
Mr. Isikeli Tikoduadua	Chair	17-Sep-21	Current
Mr. Romil Patel	Deputy Chair	17-Sep-21	Current
Ms. Joann Young	Member	17-Sep-21	Resigned - 11 Dec-21
Ms. Lyanne Vaurasi	Member	17-Sep-21	Current
Mr. Vimlesh Sagar	Member	17-Sep-21	Current

State of Affairs

In the opinion of the Commissioners, the accompanying Statement of Financial Position gives a true and fair view of the state of affairs of the Commission as at 31 July 2020 and the accompanying Statement of Comprehensive Income, Statement of Changes in Equity and Statement of Cash Flows give a true and fair view of the results and cash flows for the Commission for the year then ended.

Principal Activities

The principal activities of the Commission during the period of the Financial Statements was to enforce the Fijian Competition and Consumer Commission Act 2010 (the FCCC Act 2010), promoting competition, fair trading, regulating prices in markets where competition is lessened or limited, and regulating monopolistic market situations including national infrastructure, for the benefit of all Fijians.

Operating Results

The surplus of the Commission for the year ended 31 July 2020 was \$713,181 compared to the deficit of (\$841,425) in 2019.

Basis of Accounting - Going Concern

The financial statements of the Commission have been prepared on a going concern basis. The Commissioners consider the application of the going concern principle to be appropriate in the preparation of these financial statements as they believe that the Commission has adequate funds to meet its liabilities as and when they fall due over the next twelve months.

Current Assets

Prior to the completion of Financial Statements of the Commission, the Commissioners took reasonable steps to ascertain whether any Current Assets were likely to realise in the ordinary course of the business values as shown in the accounting records of the Commission. Where necessary these assets have been written down or adequate provision has been made to bring the values of such assets to an amount they are expected to realise.

As at the date of this report, the Commissioners are not aware of any circumstances that would render the values attributed to the Current Assets in the Commission's Financial Statement to be misleading.

Significant Events During the Year

Electricity Licensing Fee

The Commission has been appointed as an independent regulator of electricity industry through Regulations No.88 under the Electricity Act 2017, which came into force from 30 September 2019. Amongst other things, the Commission is responsible for issuing Generation, Transmission and Supply Licenses to the operators in electricity industry. The fees have been prescribed in Schedule 1 of Electricity Regulations 2019, which came into force from 30 September 2019.

**FIJIAN COMPETITION AND CONSUMER COMMISSION
COMMISSIONER'S REPORT (CONT'D)
FOR THE YEAR ENDED 31 JULY 2020**

Significant Events During the Year (cont'd)

Regulatory Fee

The Commission is authorised to charge annual regulatory fee to regulated entities through Regulations No. 91 under the FCCC Act 2010. The Regulations No. 91 came into force from 29 October 2019 and it prescribes the fees to be charged. The industries being charged the fee include telecommunications, ports, electricity, cement, steel, postal services, petroleum, and liquified petroleum gas.

COVID-19 Global Pandemic

The novel coronavirus (COVID-19) outbreak during the latter part of the financial year presents a significant challenge for the World.

The Commission was well prepared in enacting our Business Continuity Plan for Operations and Staffing during the lockdown. The Commission's Board can confirm that all reasonable steps were being taken to protect our staff, customers and operations in the face of this unprecedented challenge. The impact of COVID-19 on FCCC has been negative in terms of collection of Regulatory Fee because the industries being charged the fee have been adversely affected by the COVID-19. The economic challenges posed by COVID-19 have also contributed to increase in number of complaints and investigations against traders and landlords for breaches of FCCC Act 2010.

Unusual Transactions

COVID-19 global pandemic can be classed as an abnormal event that has affected FCCC in terms of collection of Regulatory Fee because the industries being charged the fee have been adversely affected by the COVID-19. The economic challenges posed by COVID-19 have also contributed to increase in number of complaints and investigations against traders and landlords for breaches of FCCC Act 2010.

Other Circumstances

As at the date of this report:

- (i) no charge on the assets of the Commission has been given since the end of the financial year to secure the liabilities of any other person;
- (ii) no contingent liabilities have arisen since the end of the financial year for which the Commission could become liable; and
- (iii) no contingent liabilities or other liabilities of the Commission has become or is likely to become enforceable within the period of twelve months after the end of the financial year which in the opinion of Commissioners will or may substantially affect the ability of the Commission to meet its obligations as and when they fall due.

As at the date of this report the Commissioners are not aware of any circumstances that have arisen not otherwise dealt with in this report which would make adherence to the existing method of valuation of assets or liabilities of the Commission misleading or inappropriate.

Signed in accordance with the resolution of the Commissioners.

Dated at Suva this 8th day of March, 2022


Board Chair


Commissioner

FIJIAN COMPETITION AND CONSUMER COMMISSION
STATEMENT BY COMMISSIONERS
FOR THE YEAR ENDED 31 JULY 2020


In accordance with a resolution of the Commissioners of Fijian Competition And Consumer Commission we state that:

In the opinion of the Commissioners:


- (a) the accompanying Statement of Comprehensive Income is drawn up so as to give a true and fair view of the results of the Commission for the year ended 31 July 2020;
- (b) the accompanying Statement of Financial Position and Statement of Changes in Equity are drawn up so as to give a true and fair view of the state of affairs of the Commission as at 31 July 2020;
- (c) the accompanying Statement of Cash Flows is drawn up so as to give a true and fair view of the cash flow of the Commission for the year ended 31 July 2020; and
- (d) at the date of this statement there are reasonable grounds to believe that the Commission will be able to pay its debts as and when they fall due.

For and on behalf of the Commission and in accordance with a resolution of the Commissioners.

Dated at Suva this 8th day of March, 2022



Board Chair



Commissioner



Level 1, Modyl Plaza
Karsanji St. Vatuwaqa
P. O. Box 2214, Government Buildings
Suva, Fiji



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E-mail: info@auditorgeneral.gov.fj
Website: www.oag.gov.fj



INDEPENDENT AUDITOR'S REPORT

Report on the Audit of the Financial Statements of Fijian Competition and Consumer Commission

Opinion

I have audited the financial statements of Fijian Competition and Consumer Commission (the Commission), which comprise the statement of financial position as at 31 July 2020, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In my opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Fijian Competition and Consumer Commission as at 31 July 2020, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standard for Small and Medium-sized Entities (IFRS for SMEs).

Basis for Opinion

I have conducted my audit in accordance with International Standards on Auditing (ISA). My responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of my report. I am independent of the Commission in accordance with the International Ethics Standards Board for Accountant's *Code of Ethics for Professional Accountants* (IESBA Code) together with the ethical requirements that are relevant to my audit of the financial statements in Fiji and I have fulfilled my other ethical responsibilities in accordance with these requirements and the IESBA Code. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Responsibilities of the management and those charged with governance for financial statements

The management and Directors are responsible for the preparation and fair presentation of the financial statements in accordance with IFRS for SMEs, and for such internal control as the management and Directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the management and Directors are responsible for assessing the Commission's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the management and Directors either intend to liquidate the Commission or to cease operations, or have no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Commission's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISA will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

As part of an audit in accordance with ISA, I exercise professional judgment and maintain professional scepticism throughout the audit. I also;

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Commission's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of the management and Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Commission's ability to continue as a going concern. If I conclude that material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements or, if such disclosures, are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Commission to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- I communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

Report on Other Legal and Regulatory Requirements

In my opinion, the financial statements have been prepared in accordance with the requirements of the Fijian Competition and Consumer Commission Act 2010 in all material respects, and;

- a) I have been given all information, explanations and assistance necessary for the conduct of the audit; and
- b) the Commission has kept financial records sufficient to enable the financial statements to be prepared and audited.



Sairusi Dukuno
ACTING AUDITOR-GENERAL



Suva, Fiji
10 March 2022

FIJIAN COMPETITION AND CONSUMER COMMISSION
STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 JULY 2020

	Note	31 July 2020 \$	31 July 2019 \$
Income			
Government grant - Operational		3,706,602	3,055,446
Regulatory Fees		1,412,218	-
Other Income	2	334,106	264,574
Total Income		5,452,926	3,320,020
Expenditure			
Personnel Expenses	3	2,843,367	2,339,060
Staffing Obligation	4	89,522	62,268
Operating Expenses	5	1,032,007	1,064,021
Administrative Expenses	6	510,967	518,354
Depreciation & Amortisation	10(c) & 11	263,882	177,742
Total Expenditure		4,739,745	4,161,445
(Deficit)/Surplus		713,181	(841,425)
Other Comprehensive Income		-	-
Total Comprehensive Income for the year		713,181	(841,425)


(The Statement of Comprehensive Income is to be read in conjunction with the notes to and forming part of the financial statements set out on pages 11 to 20)

FIJIAN COMPETITION AND CONSUMER COMMISSION
STATEMENT OF FINANCIAL POSITION
AS AT 31 JULY 2019

	Notes	31 July 2020 \$	31 July 2019 \$
Current Assets			
Cash and Cash Equivalents	7	1,076,283	387,879
Deposits	8	42,287	43,887
Trade and Other Receivables	9	182,890	120,679
Total Current Assets		1,301,460	552,445
Non Current Assets			
Property, Plant and Equipment	10	1,298,997	1,409,946
Intangible Assets	11	106,079	30,979
Total Non Current Assets		1,405,076	1,440,925
Total Assets		2,706,536	1,993,370
Current Liabilities			
Trade and Other Payables	12	168,773	179,372
Employee Entitlement Provision	13	147,227	106,197
Deferred Income	14	264,940	201,160
Other Current Liabilities	15	7,281	5,734
Total Current Liabilities		588,221	492,463
Non Current Liabilities			
Deferred Income	14	960,548	1,056,321
Total Non Current Liabilities		960,548	1,056,321
Total Liabilities		1,548,769	1,548,784
Net Assets		1,157,767	444,586
Equity			
Accumulated Surplus		1,157,767	444,586
Total Equity		1,157,767	444,586

(The Statement of Financial Position is to be read in conjunction with the notes to and forming part of the financial statements set out on pages 11 to 20)

Signed for and on behalf of the Commission.


 Board Chair


 Commissioner

FIJIAN COMPETITION AND CONSUMER COMMISSION
STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 JULY 2020

	Accumulated Surplus	Total
	\$	\$
Balance as at 31 July 2018	1,286,011	1,286,011
Net deficit for the period	(841,425)	(841,425)
Balance as at 31 July 2019	444,586	444,586
Net surplus for the year	713,181	713,181
Balance as at 31 July 2020	1,157,767	1,157,767

(The Statement of Cash Flows is to be read in conjunction with the notes to and forming part of the financial statements set out on pages 11 to 20)

FIJIAN COMPETITION AND CONSUMER COMMISSION
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 JULY 2020

	Notes	31 July 2020 \$	31 July 2019 \$
<u>Cash Flows from Operating Activities</u>			
Receipts from Government and Customers		5,332,974	3,789,123
Payments to Suppliers and Employees		(4,449,571)	(3,980,915)
Net Cash provided by Operating Activities	16 (b)	883,403	(191,792)
<u>Cash Flows from Investing Activities</u>			
Proceeds from sale of Property, Plant and Equipment		29,311	2,431
Payments for Property, Plant and Equipment	10 (c)	(224,310)	(909,912)
Net Cash provided by Investing Activities		(194,999)	(907,481)
Net increase/ (decrease) used in cash		688,404	(1,099,273)
Cash at the beginning of the year		387,879	1,487,152
Cash balance at the end of the year	16 (a)	1,076,283	387,879

(The Statement of Changes in Equity is to be read in conjunction with the notes to and forming part of the financial statements set out on page 11 to page 20)

FIJIAN COMPETITION AND CONSUMER COMMISSION
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2020

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

1.1 Statement of compliance

These financial statements have been prepared by the Fijian Competition And Consumer Commission (the Commission) in accordance with the International Financial Reporting Standards for Small and Medium-sized Entities ("IFRS for SMEs") issued by the International Accounting Standards Board.

The principal accounting policies adopted by the Commission are stated to assist in general understanding of these financial statements. The accounting policies adopted are consistent with those of the previous year except as stated otherwise.

The financial statements were authorised for issue by the Commissioners on 8th March 2022

Set out below is summary of the significant accounting policies adopted by the Commission in the preparation of the financial statements for the year ended 31 July 2020.

1.2 Basis of preparation

The Financial Reports are general purpose financial reports and have been prepared in accordance with the requirements of the FCCC Act 2010 and the IFRS for SMEs.

The Financial Reports have been prepared on the basis of historical costs and except where specifically stated do not take into account current valuations of non current assets.

In the application of IFRS for SMEs, the Commission is required to make judgments, estimates and assumptions about carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstance, the results of which form the basis of making the judgments. Actual results may differ from these estimates.

The Financial Statements have been prepared on a going concern basis. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods. Judgments made by the Commission in the application of IFRS for SMEs that have significant effects on the financial statements and estimates with a significant risk of material adjustments in the next year are disclosed, where applicable, in the relevant notes to the financial statements.

1.3 Property, Plant and Equipment

Fixed assets are measured at cost less accumulated depreciation or amortisation and impairment losses. These assets are depreciated or amortized from the date of acquisition or when an asset is completed and held ready for use. Depreciation or amortisation is calculated on a straight-line basis so as to write off the cost or revalue amount of each fixed assets during its effective working life to its estimated residual value. The principal depreciation or amortisation rates in use are as follows:

	Rate
Furniture and Fitting	12%
Office Equipment	12-40%
Vehicles	18-20%
Computer Equipment	25-40%
Leasehold Improvements	Over the lease term

FIJIAN COMPETITION AND CONSUMER COMMISSION
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2020

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

1.4 Intangible Assets

Computer software and licenses are capitalised on the basis of the costs incurred to acquire and bring into use the specific software. These costs are amortised at the rate of 33%.

1.5 Income Tax

The Commission is not subject to income tax in accordance with Section 24(1) of the FCCC Act 2010.

1.6 Value Added Tax (VAT)

Revenue, expenses, assets and liabilities are recognized net of VAT, except:

- i) Where the amount of VAT incurred is not recoverable from the tax authority, it is recognized as part of the cost of acquisition of the asset or as part of an item of expense; or
- ii) For receivables and payables, which are recognized inclusive of VAT.

The net amount of VAT payable to, or receivables from, the taxation authority is included as part of trade and other payables or trade and other receivables.

1.7 Revenue

Revenue comprises of quarterly Government grant from the Ministry of Economy (MOE) and Regulatory Fees charged to industries regulated by FCCC.

1.8 Government Grant

Recurrent grants are brought to account as income over the period to which they relate since the grant does not impose specified future performance conditions on the Commission. Non recurrent grants are brought to account in the same proportion that depreciation bears to the cost of the assets acquired with the grant.

1.9 Regulatory Fees

The Commission is authorised to charge annual regulatory fee to regulated entities through Regulations No. 91 under the FCCC Act 2010. The Regulations No. 91 came into force from 29 October 2019 and it prescribes the fees to be charged. The industries being charged the fee include telecommunications, ports, electricity, cement, steel, postal services, petroleum, and liquified petroleum gas. The fees are brought to account as income over the period to which they relate.

1.10 Regulatory Fee Receivables

The regulated entities are allowed thirty (30) days from date of invoice to settle the outstanding amounts.

1.11 Provision for Doubtful Debts

Provisioning is based on specific balances owed by regulated entities upon assessment of likelihood of recovery.

1.12 Deferred Income

Significant items of income having a relationship to more than one accounting period have been brought to account over the period to which they relate.

1.13 Employee Entitlements

Employee entitlements include provision for annual leave. This relates to amounts expected to be paid to employees and is based on contractual entitlements. Defined contribution plans to Fiji National Provident Fund are expensed when incurred.

1.14 Cash and Cash Equivalents

Cash and cash equivalents are carried in the Statement of Financial Position at cost. For the purpose of cash flow statements, cash and cash equivalents comprise of cash on hand and cash at bank.

1.15 Trade and Other Payables

The amounts represent liabilities recognized when the Commission becomes obliged to make future payments resulting from purchase of goods and services.

1.16 Equity and Reserves

Equity include accumulated surplus which comprises all current and prior period surpluses or deficits.

FIJIAN COMPETITION AND CONSUMER COMMISSION
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2020

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

1.17 Estimation Uncertainty

When preparing the financial statements, management makes a number of judgments, estimates and assumptions about recognition and measurement of assets, liabilities, income and expenses. The actual outcome may differ from these estimates.

1.18 Comparatives

Where necessary, amounts relating to prior year have been reclassified to achieve consistency in disclosures with the current financial year amounts and other disclosures.

	31 July 2020 \$	31 July 2019 \$
NOTE 2 OTHER INCOME		
Amortization of Deferred Income	248,076	168,458
Electricity Licensing Fees	41,371	-
Gain on Disposal of Fixed Assets	27,295	2,431
Mergers & Acquisition Assessment Fees	12,844	89,372
Miscellaneous Income	4,520	4,313
	334,106	264,574
NOTE 3 PERSONNEL EXPENSES		
Salaries and Wages	2,287,463	1,844,586
FNPF	214,134	214,997
Annual Leave	210,107	144,177
Board Allowance	106,733	114,875
FNU Levy	24,930	20,425
	2,843,367	2,339,060
Number of Employees	75	71
NOTE 4 STAFFING OBLIGATION		
Staff Housing & Responsibility Allowance	38,141	41,857
Temporary Officers Allowance	32,231	15,671
Staff In-house Medical Scheme	14,381	-
Fringe benefits	4,769	4,740
	89,522	62,268
NOTE 5 OPERATING EXPENSES		
Rent	335,254	325,062
Enforcement & Investigation related costs	311,895	284,598
Legal Fees, Court Charges and Lawsuit	128,939	141,132
Inspections and Tours	88,999	92,956
Motor Vehicle Expense	55,430	62,448
Repairs and Maintenance	49,203	48,607
Printing, Postage and Meeting Expenses	23,339	48,969
Awareness	15,093	23,354
Advertising	13,900	21,304
Public Consultation and Strategic Alliance	9,955	15,591
	1,032,007	1,064,021

FIJIAN COMPETITION AND CONSUMER COMMISSION
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2020

	31 July 2020 \$	31 July 2019 \$
NOTE 6 ADMINISTRATIVE EXPENSES		
Telephone, Internet and Fax	106,723	55,681
Doubtful Debts Expense	76,932	-
Training and Development	60,357	166,981
Office Expense and Uniforms	57,596	43,675
IT Support Cost	44,222	20,580
Insurance	36,449	27,606
Electricity and Water	36,261	31,584
Cleaning	28,206	19,831
Travel and Accommodation	20,187	15,065
Stationery	12,237	21,714
Subscription	10,554	7,549
Consultancy and Professional Fees	11,610	54,312
Audit Fees	8,040	3,208
Bank Charges	1,318	1,852
General Expenses	275	1,698
Relocation and Branding	-	47,018
	510,967	518,354

NOTE 7 CASH AND CASH EQUIVALENTS

Cash and Cash Equivalents at the end of the Financial year as shown in the Cash Flow Statement is reconciled to Statement for Financial Position as follows:

Regulatory Fee Account - HFC	870,423	-
Operating Account - WBC and HFC	105,983	286,343
Other Revenue Account - HFC	81,675	86,225
Mediation Fund Account - HFC	14,028	9,421
West & North Advance Account - HFC	2,101	2,170
Fixed Penalty Account - HFC	473	2,120
Cash on Hand	1,600	1,600
	1,076,283	387,879

The Consumer Trust Fund Account relates to the mediation funds maintained by the Commission in accordance with Section 15 of the FCCC Act 2010. The funds are received from the respondents which are then paid to complainants where both parties agree to resolve the case through mediation facilitated by the Commission. The sum are paid out to complainant upon settlement of the cases.

NOTE 8 DEPOSITS

Rental Deposit	39,390	40,990
Fiji Electricity Authority	2,897	2,897
	42,287	43,887

FIJIAN COMPETITION AND CONSUMER COMMISSION
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2020

	31 July 2020	31 July 2019
	\$	\$
NOTE 9 TRADE AND OTHER RECEIVABLES		
Regulatory Fee Receivable	211,046	-
Provision for Impairment - Regulatory Fee Receivable	(83,856)	-
	<u>127,190</u>	<u>-</u>
Prepayments	38,582	18,510
Surcharge Recovery	7,328	13,593
VAT Refund	6,079	85,661
Staff Accountable Advance	3,711	2,915
	<u>182,890</u>	<u>120,679</u>

NOTE 10 PROPERTY, PLANT AND EQUIPMENT

(a) Property, Plant and Equipment are stated at cost and have been included in the Financial Statements on the following basis:

Furniture and Fitting		
At cost	83,165	70,983
Accumulated depreciation	(20,446)	(11,141)
	<u>62,719</u>	<u>59,842</u>
Office Equipment		
At cost	140,553	134,144
Accumulated depreciation	(65,499)	(53,654)
	<u>75,054</u>	<u>80,490</u>
Motor Vehicle		
At cost	513,222	513,223
Accumulated depreciation	(332,710)	(276,908)
	<u>180,512</u>	<u>236,315</u>
Computer Equipment		
At cost	337,054	233,408
Accumulated depreciation	(144,823)	(90,829)
	<u>192,231</u>	<u>142,579</u>
Leasehold Improvements		
At cost	857,201	857,201
Accumulated amortisation	(145,583)	(69,210)
	<u>711,618</u>	<u>787,991</u>
Works in Progress	<u>76,863</u>	<u>102,729</u>
Net Book Value	<u>1,298,997</u>	<u>1,409,946</u>

(b) The depreciation policies adopted are set out in Note 1.3

FIJIAN COMPETITION AND CONSUMER COMMISSION
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2020

NOTE 10 PROPERTY, PLANT AND EQUIPMENT (continued)

(c) Reconciliation of the net book value amount for each class of Property, Plant and Equipment at the beginning and at the end of the current financial period is set out as follows:

Cost	Furniture and Fitting	Office Equipment	Motor Vehicle	Computer Equipment	Leasehold Improvements	Work in Progress	Total
\$	\$	\$	\$	\$	\$	\$	\$
Balance as at 31 July 2019	70,983	134,144	513,223	233,408	857,201	102,729	1,911,688
Additions	12,304	21,756	-	106,629	-	73,010	213,699
Disposals	(122)	(15,347)	-	(4,961)	-	-	(20,430)
Transfer	-	-	-	1,978	-	(98,876)	(96,898)
Balance as at 31 July 2020	83,165	140,553	513,223	337,054	857,201	76,863	2,008,059
Accumulated Depreciation							
Balance as at 31 July 2019	11,141	53,654	276,908	90,829	69,210	-	501,742
Depreciation	9,369	26,314	55,803	57,875	76,373	-	225,734
Disposals	(64)	(14,469)	-	(3,881)	-	-	(18,414)
Transfer	-	-	-	-	-	-	-
Balance as at 31 July 2020	20,446	65,499	332,711	144,823	145,583	-	709,062
Book Value							
As at 31 July 2019	59,842	80,490	236,315	142,579	787,991	102,729	1,409,946
As at 31 July 2020	62,719	75,054	180,512	192,231	711,618	76,863	1,298,997

The Commission has capital works in progress in relation to digital transformation projects to revolutionise its systems and processes.

FIJIAN COMPETITION AND CONSUMER COMMISSION
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2020

	31 July 2020 \$	31 July 2019 \$
NOTE 11 INTANGIBLE ASSETS		
Cost		
Opening Balance	40,101	5,504
Additions	16,350	34,597
Transfer from Work in Progress	96,898	-
Closing Balance	153,349	40,101
Accumulated Depreciation		
Opening Balance	9,122	1,211
Amortisation	38,148	7,911
Closing Balance	47,270	9,122
Book Value	106,079	30,979
NOTE 12 TRADE AND OTHER PAYABLES		
Capital Works Payable	62,739	57,000
Superannuation Payable	26,623	46,833
Utility Accruals	28,748	31,670
Mediation Funds Payable	13,076	7,184
Audit Fee	13,012	8,497
PAYE & Provisional Tax Payable	11,942	12,007
Other Payables	10,549	13,585
FNU Levy Payable	2,084	2,496
Fixed Penalty Payable to MOE	-	100
	168,773	179,372
NOTE 13 EMPLOYEE ENTITLEMENT PROVISION		
Balance at the beginning	106,197	85,641
Charged/(credited) to profit or loss		
- Additional provision	210,087	144,177
- Used during the year	(128,009)	(92,550)
Paid out during the year	(41,048)	(31,071)
	147,227	106,197
NOTE 14 DEFERRED INCOME		
Deferred income relates to the Capital Grant received for purchase of fixed assets. The amortisation is equal to the depreciation amount of the assets. The income approach has been used to account for Capital Grant.		
Balance at the beginning	1,257,481	707,393
Add: Additional Grant	216,083	718,546
Amortisation of Deferred Income	(248,076)	(168,458)
	1,225,488	1,257,481
Comprise of:		
Current	264,940	201,160
Non-Current	960,548	1,056,321
	1,225,488	1,257,481

FIJIAN COMPETITION AND CONSUMER COMMISSION
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2020

	31 July 2020	31 July 2019
	\$	\$
NOTE 15 OTHER CURRENT LIABILITIES		
Userpay Levy Received in Advance	-	5,734
Electricity Licensing Fee Received in Advance	7,281	-
	<u>7,281</u>	<u>5,734</u>

NOTE 16 NOTES TO THE STATEMENT OF CASH FLOWS

a) Reconciliation of cash and cash equivalent

For the purposes of the Statement of Cash Flows, cash includes cash on hand and in the banks. Cash at the end of the reporting period as shown in the Statement of Cash Flows is reconciled to the Statement of Financial Position as follows:

Cash at Bank	1,074,683	386,279
Cash on Hand	1,600	1,600
	<u>1,076,283</u>	<u>387,879</u>

b) Reconciliation of operating surplus to cash provided by operating activities:

Net Surplus	713,181	(841,425)
Add/(Less) Non-Cash items:		
Depreciation and Amortisation	263,882	177,742
(Gain) / Loss on Disposal of Fixed Assets	(27,295)	(2,431)
	<u>949,768</u>	<u>(666,114)</u>
Changes in assets and liabilities during the financial period:		
(Increase)/ Decrease in Trade and Other Receivables	(60,611)	(79,786)
Increase/ (Decrease) in Trade and Other Payables	(16,338)	(17,826)
Increase/ (Decrease) in Employment Entitlement Provision	41,030	20,556
Increase/ (Decrease) in Deferred Income	(31,993)	550,088
Increase/ (Decrease) in Other Current Liabilities	1,547	1,290
Cash Provided by Operating Activities	<u>883,403</u>	<u>(191,792)</u>

NOTE 17 RELATED PARTY TRANSACTIONS

The Commission's related parties include its Board and Ministry of Economy (MOE) that provides funding for the Commission.

(a) Board of Commissioners

The following were the Commissioners during the financial reporting period:

Name	Position	Appointed On	Effective Till
Mr. Isikeli Tikoduadua	Chair	17-Sep-21	Current
Mr. Romil Patel	Deputy Chair	17-Sep-21	Current
Ms. Joann Young	Member	17-Sep-21	Resigned - 11 Dec-21
Ms. Lyanne Vaurasi	Member	17-Sep-21	Current
Mr. Vimlesh Sagar	Member	17-Sep-21	Current

(b) Transactions with Key Management Personnel

The key management personnel of the Commission include the Commissioners, the Chief Executive Officer and General Manager Operations. Key management personnel remuneration for the year amounted to \$551,667

FIJIAN COMPETITION AND CONSUMER COMMISSION
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FOR THE YEAR ENDED 31 JULY 2020

NOTE 17 RELATED PARTY TRANSACTIONS (continued)

(c) Transactions with MOE (Funding Agency)

At the start of the financial year, the Commission was moved into Head 13 Independent Commissions for government grant. Funds for Independent Commissions is disbursed by MOE. As such, during the financial year, the Commission received operating grant from MOE. Quarterly reports were submitted to MOE detailing the acquittals of the grant.

The Commission had also received grant to monitor supply chains, conduct trader inspections for food items and investigate complaints on price gouging during COVID-19 outbreak. The acquittal has been submitted to MOE.

	31 July 2020 \$	31 July 2019 \$
Operating Grant (VAT inclusive)	3,925,678	3,908,197
COVID-19 Response Grant (VAT inclusive)	99,520	
	<u>4,025,198</u>	<u>3,908,197</u>

NOTE 18 CONTINGENT ASSETS AND LIABILITIES

(a) Contingent Liability

The Commission is not aware of any contingent liability arising in the ordinary course of business.

(b) Contingent Asset

The Commission is not aware of any contingent asset arising in the ordinary course of business.

NOTE 19 COMMITMENTS

(a) Capital Commitments

There were no contracted capital commitments at the reporting date or in the prior financial year.

(b) Operating Lease Commitments

The Commission leases three (3) offices under non-cancellable operating lease agreements. The lease terms are between five (5) to fifteen (15) years. The lease agreements are renewable at the end of the lease period at market rate. The Commission is required to give prior notice for termination of these agreements.

	31 July 2020 \$	31 July 2019 \$
The future minimum lease payments under non-cancellable operating leases are as follows:		
No later than 1 year	383,413	369,777
Later than 1 year and no later than 5 years	1,474,292	1,505,318
Later than 5 years	1,949,891	2,302,278
	<u>3,807,596</u>	<u>4,177,373</u>

NOTE 20 SIGNIFICANT EVENTS DURING THE FINANCIAL YEAR

a) Electricity Licensing Fee

The Commission has been appointed as an independent regulator of electricity industry through Regulations No.88 under the Electricity Act 2017, which came into force from 30 September 2019. Amongst other things, the Commission is responsible for issuing Generation, Transmission and Supply Licenses to the operators in electricity industry. The fees have been prescribed in Schedule 1 of Electricity Regulations 2019, which came into force from 30 September 2019.

b) Regulatory Fee

The Commission is authorised to charge annual regulatory fee to regulated entities through Regulations No. 91 under the FCCC Act 2010. The Regulations No. 91 came into force from 29 October 2019 and it prescribes the fees to be charged. The industries being charged the fee include telecommunications, ports, electricity, cement, steel, postal services, petroleum, and liquified petroleum gas.

FIJIAN COMPETITION AND CONSUMER COMMISSION
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FOR THE YEAR ENDED 31 JULY 2020

NOTE 20 SIGNIFICANT EVENTS DURING THE FINANCIAL YEAR (continued)

c) COVID-19 Global Pandemic

The novel coronavirus (COVID-19) outbreak during the latter part of the financial year presents a significant challenge for the World. The Commission was well prepared in enacting Business Continuity Plan for Operations and Staffing during the lockdown. The Commission's Board can confirm that all reasonable steps were being taken to protect our staff, customers and operations in the face of this unprecedented challenge. The impact of COVID-19 on FCCC has been negative in terms of collection of Regulatory Fee because the industries being charged the fee have been adversely affected by the COVID-19. The economic challenges posed by COVID-19 have also contributed to increase in number of complaints and investigations against traders and landlords for breaches of FCCC Act 2010.

NOTE 21 PRINCIPAL ACTIVITY

The Commission is an independent statutory body that enforces the FCCC Act 2010, promoting competition, fair trading, regulating prices in markets where competition is lessened or limited, and regulating monopolistic market situations including national infrastructure, for the benefit of all Fijians.

