



2017-2018 Annual Report



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REFERRAL LETTER

Honourable Jone Usamate
Minister for Infrastructure and Transport
Nasilivata House
Samabula
SUVA

Dear Sir

I have much pleasure in presenting to you, the Ministry's Annual Report for the period from 1st August 2017 to 31st July 2018

The Report highlights the Ministry's performance and achievement in the provision of service delivery to the people of Fiji as reflected in the Annual Corporate Plan, Work Program and Disaster Rehabilitation projects coordinated by the Government. This 12 month Ministry's achievement report has been prepared in accordance with the Public Service Commission functions under the 2013 Constitution and the provision of the Financial Management Act 2004.

The report encapsulates the efforts and commitment of the Ministry toward fulfilling the Government's strategic priorities as stipulated under the 5 to 20 years National Development Plan.



A handwritten signature in blue ink, reading "Taitusi", is positioned above a horizontal blue line that extends to the left.

TAITUSI VAKADRAVUYACA
Permanent Secretary

PERMANENT SECRETARY'S STATEMENT



I have much pleasure in presenting the FY 2017/2018 Annual Report for the Ministry of

Infrastructure and Transport ('Ministry').

The Annual Report reflects the operations and strategic obligations achieved by the Ministry for the period from 1st August 2017 to 31st July 2018. It was during this period I joined the Ministry as the Permanent Secretary, taking over the reins from the former Acting Permanent Secretary, Mr. David Kolitagane, who was also Acting Permanent Secretary for the Ministry of Agriculture.

With an extensive background in Mechanical and Civil Engineering, I was adamant to improve the system of service delivery within the Ministry to engage more planning, project management, lean engagement process, and capacity development for technical teams.

The Ministry for the last three years, has consistently achieved 80% of its strategic goals and outcomes. The result of our recent achievements has been consistent with the

Ministry goals of achieving higher economic growth in the areas of quality sustainable infrastructure, safe dynamic transport systems, safe clean water and affordable energy sources.

We intend to positively impact and change the lives of all Fijians through transformative and innovative service delivery.

To remain relevant in today's changing environment, we must adapt and be able to make a difference in the lives of every Fijian. This will be a key focus of our 2018/19 journey.

Furthermore, the Ministry through our COP will be practical in its approach to ensure that our services are of high quality, delivered effectively and efficiently. We will foster and encourage innovative service delivery that is affordable and applicable to all Fijian

TAITUSI VAKADRAVUYACA
Permanent Secretary

CORPORATE STRATEGIC DIRECTION

VISION

"Achieving higher economic growth and prosperity for Fiji through better quality advises and service delivery in the areas of sustainable infrastructures and dynamic transport systems; clean affordable energy sources and technically advance meteorological and hydrological products and services"

MISSION

"Timely and proactive service delivery that is accessible to all"

MOTTO

"Service Excellence through Change and Innovation"

VALUES

The Ministry fosters a workplace that encourages:

- **Honesty** - we commit to an honest day's work
- **Integrity** - we commit to being impartial in all our service
- **Leadership** - we commit to exercising strong and sound leadership
- **Teamwork** - we value the contribution of all staff irrespective of their appointments and status
- **Innovation** - we encourage a can do attitude
- **Professionalism** - we commit to excellence in all that we do

MINISTRY'S GOVERNING LEGISLATIONS AND STATUTORY POLICIES

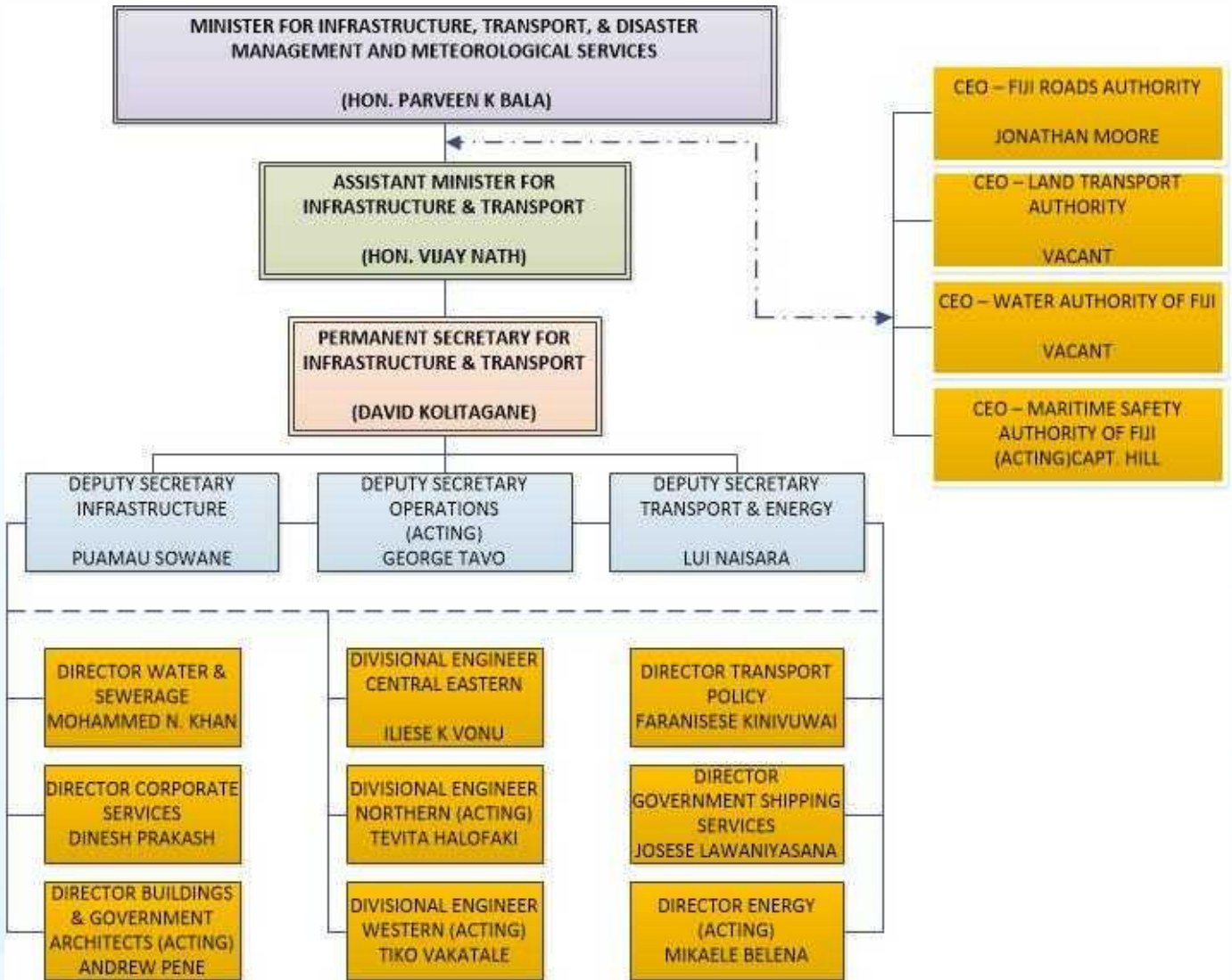
The Ministry is regulated in its service delivery by conformance and adherence to, but not limited to the following approved legislations and policies

No	Description
1	Constitution of the Republic of Fiji 2013
2	Fiji National Provident Fund Decree 2011
3	Public Service Act 1999
4	Fiji Procurement Act 2010
5	Financial Administration Decree 2009
6	Financial Instructions 2010
7	Financial Management Act 2004
8	Financial Manual 2010
9	Occupational Health and Safety at Work Act 1996
10	Architect Act (Cap 258) (SG's Office -currently being reviewed)
11	National Building Code
12	Engineers Registration Act (Cap 261) (SG's office-currently being reviewed)
13	Bicycle Act (Cap. 178)
14	Collision Regulations (Ships and Sea Planes of Water)
15	Land Transport Act,1998
16	Maritime Safety Authority of Fiji Decree 2009
17	Maritime Transport Act 2013
18	Railway Act (Cap. 179)
19	Ship Registration Act 2013
20	Wreck & Salvage Act (Cap. 198)
21	Petroleum Act (Cap 190)
22	Motor Vehicle (Third Party Insurance Act) (Cap.177)
23	Fiji National Petroleum Company Limited Decree 1991
24	Meteorology/Hydrology Act (SG's Office-currently being reviewed)
25	Electricity Act (Cap. 180)
26	Fuel and Power Emergency Act (Cap. 191)
27	Roads Act (Cap.175)
28	Fiji Roads Authority Act 2012
29	Water Authority of Fiji Promulgation 2007
30	Water & Sewerage Act (SG's Office - Draft Contract being assessed)
31	Environment Management Act 2005

Under the Ministerial portfolio, the following Government Departments and CSAs are effectively governed.

Government Department	Commercial Statutory Authorities (CSA)
Office of the Hon. Minister	Fiji Roads Authority (FRA) Energy Fiji Limited (EFL)
Department of Works <ul style="list-style-type: none"> • Divisional Engineer Works C/E • Divisional Engineer Works West • Divisional Engineer Works North 	
Department of Transport	Maritime Safety Authority of Fiji (MSAF) Land Transport Authority (LTA)
Department of Corporate Services	
Department of Water & Sewerage	Water Authority of Fiji (WAF)
Department of Energy	
Department of Government Shipping Services	
Department of Building & Govt. Architects	
Planning & Policy Unit	
Performance Monitoring & Evaluation Unit	

ORGANISATION STRUCTURE



HIGHLIGHTS OF ACHIEVEMENTS BY DEPARTMENTS/DIVISIONS

1. EXECUTIVE SUPPORT

The Unit comprises of the support staff to the Office of the Honourable Minister, the Honourable Assistant Minister and the Permanent Secretary. The support staff include the Senior Media Liaison Officer, the three (3) senior Secretaries, the three (3) Head drivers, a messenger and the Ministry's Policy committee (on need basis).

The Ministry's Policy committee meets regularly to deliberate on review of policies and regulations, formulation of new policies, drafting of Cabinet Papers, Honourable Minister's speeches and development of strategic documents.

2. DEPARTMENT OF ADMINISTRATION AND FINANCE

The Department is responsible for the delivery of Human Resources Administration, Capacity Development and Training for staff, Strategic Planning, Policy Administration and Monitoring, Occupational Health and Safety Assurance.

During the period, the Civil Service Reform initiatives were introduced which include new guidelines providing a holistic approach in service delivery. The approved guidelines for each Government agency to adopt were the Open Merit Recruitment and Selection (OMRS), Disciplinary Guideline, Learning and Development Guideline and the Job Evaluation Guideline (JEE).

The Department has been consistent in achieving its core KPIs for the various key deliverables under the Annual Corporate Plan 2017/2018.

Outlined below are the achievement during the reporting period.

Workforce

The implementation of Job Evaluation Exercise (JEE) was carried out in 2017 and quiet a number of staff was put under the re-deployee list. JEE was done for the review of the salary structure for all positions under the Ministry's establishment.

Tabled below is the summary of the approved Staff Establishment that is reflected in the Ministry Person to Post under SEG 1 and SEG 2 by departments and project posts.

Established

Departments	Post	Vacant	Filled
Transport	41	15	26
GSS	67	31	36
Works	315	179	136
Energy	69	47	22
Water	19	5	14

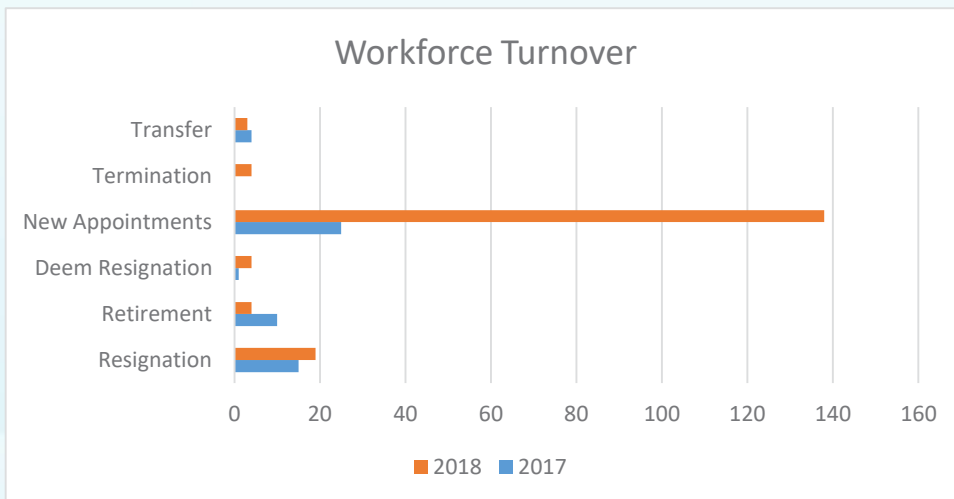
Government Wage Earner

Departments	Post	Vacant	Filled
Transport	14	6	8
GSS	152	55	97
Works	242	99	143
Energy	2	1	1

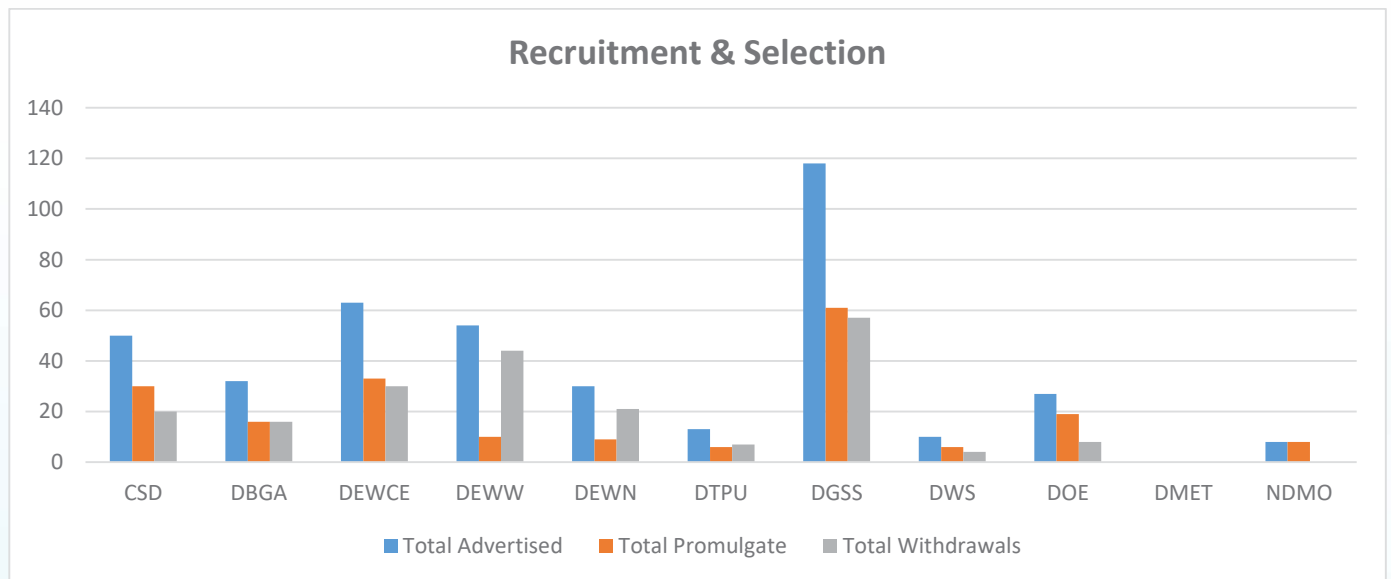
Project Posts

Department	2017	2018
DEWCE	372	1043
DEWN	185	281
DEWW	123	241
Total	680	1,565

The below graph shows the workforce turnover from 2017 to 2018, indicating the departments commitment in the recruitment of new appointees to fill the vacant positions that was vacated on the exits of staff through transfers, deem resignation, retirement and resignation.

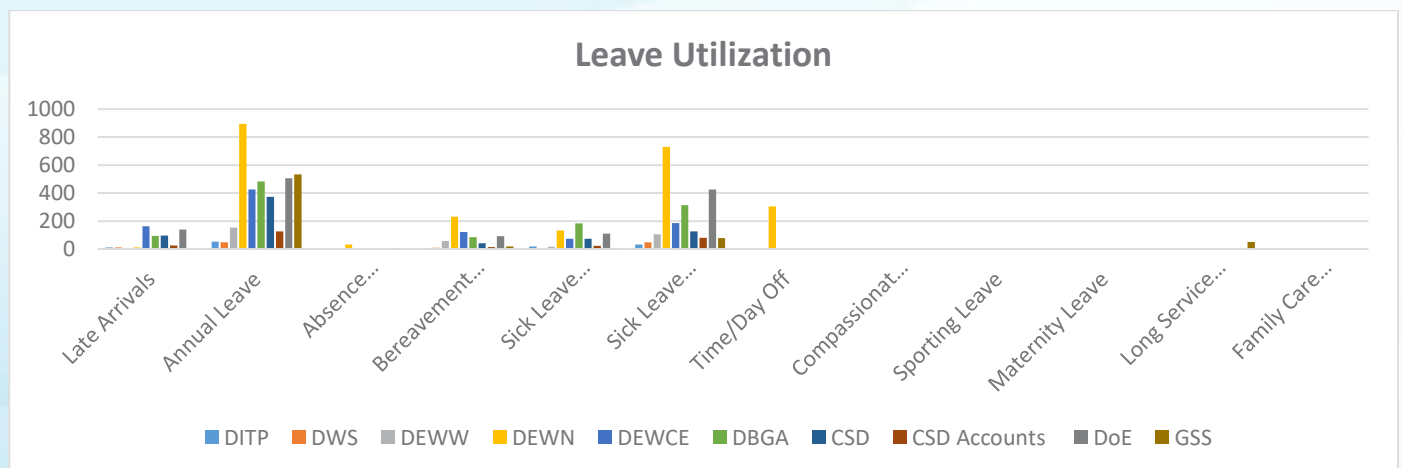


Recruitment and Selection



The graph tabled above outlines the trend in the Recruitment and Selection process from advertisement of vacant positions until promulgation of the selection report decision. The process undertaken involves substantively vacant positions from the 11 departments with the Ministry. The highest vacancy created was from the department of Government Shipping Services while there was none from the Meteorology Department. In summary the total Ministry advertisement was 405 from which 198 was successfully promulgated and 207 vacancies was withdrawn due to lapse of the OMRS process; less commitments from panel members because of work commitments; Heads of Departments recommend Expression of Interest to build experiences; shortages of the recruitment staff; less applicant meeting the person specification of the position; no applicants received and the non-availability of candidates.

Leave Administration

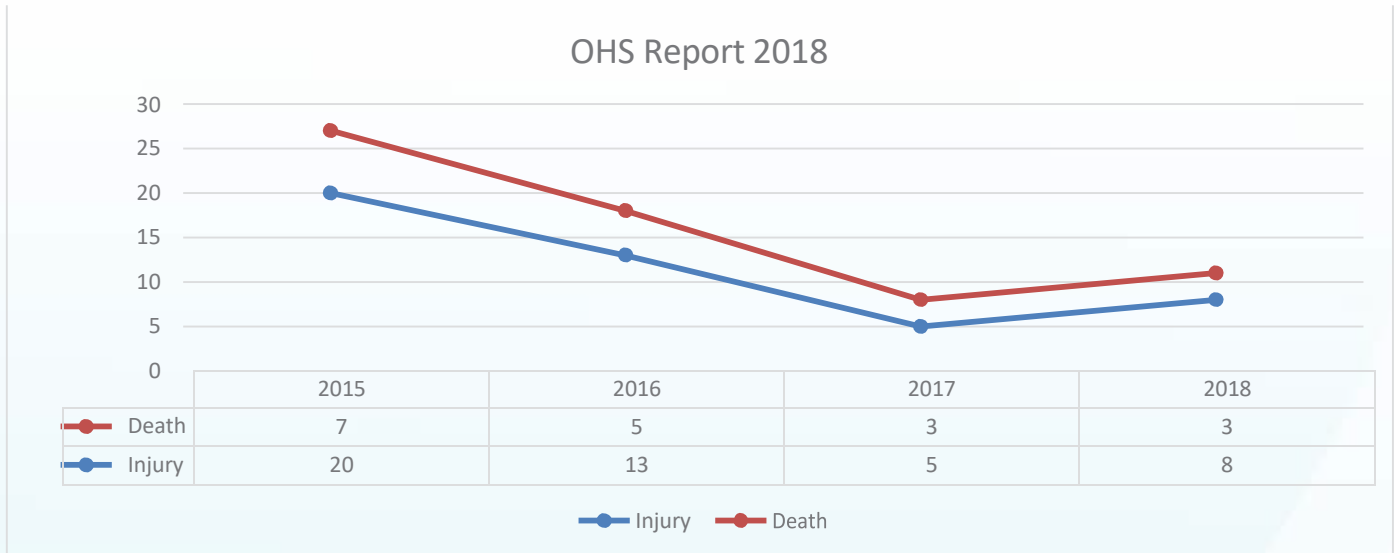


The above graph shows the trend in leave utilization in the various department within the Ministry as staff were much aware of their leave entitlements and eligibility. The staff was also subjected to late arrivals and absence without leave and this was curbed in the implementation of salary recovery.

Occupational Health and Safety

During this reporting period, the number of accidents recorded were eight (8), Deaths recorded were three (3) and a total of seventeen (17) Compensation cases amounting to \$285,568 payout.

These excluded the regular drills conducted on ad hoc basis.



The above graph shows the trend of death and injury cases received for the past 3 years. There has been a decrease in death cases from 2015 to 2018. The number of injuries sustained over the period saw an increase in 2015 to 20 cases, slight decrease in 2016 to 13 cases and huge decrease in 2017 to 5 cases whilst this slightly increased to 8 cases in 2018.

Training

The Training Unit managed to complete the local training modules as scheduled on the Training plan at the end of FY 2017/2018. Most of the trainings conducted include;

- Understanding of the requirement under the Employment Regulation Act 2010
- Basic Report writing
- Fire Warden Training
- OHS compliance training
- Record Management
- Corporate Governance

Apart from the TPAF mandatory trainings stated above, the Training Unit also coordinated technical and specialized training courses offered by Training institutions. Such training includes Intermediate and Advanced Computer skills training, Public Policy and Legal Paper drafting, Mediation and Negotiation skills training, Project Management, Financial Management skills, Basic Prosecution and Arbitration Training and Management/Leadership Training.

The Unit also coordinate with Min. of Civil Service for overseas training for staff through donor agencies such as IRENA, ITEC, KOICA, JICA, IMO, UNICEF, CELAP, AUSAID, USAID, SIDS, MTCP etc.

	Achievement during the 12 months period	2017/2018 Target
No. of Apprentices graduated	4	10
No. of attaches on technical attachment	66	60
No. of staff attended local short term trainings	258	300
No. of staff attended overseas short term training	26	25
No. of Community awareness, Govt. roadshows	8	6

During the Financial year, the Training Unit able to coordinate with the CSRMU for ongoing training and regular consultations on the new Civil Service Reform initiatives which include Performance Management Framework (PMF), Job Evaluation Exercise (JEE), Learning and Development Guideline, Revised OMRS Guideline, Workforce Strategic Planning and the review of the General Orders for Established Officer in the Civil Service.

APPRENTICESHIP SCHEME

The training program ensures that the apprentices for 2017/2018 acquire the required knowledge in Nautical Science and Marine Engineering and becoming professional seafarer and meeting the relatively increasing demand in the shipping industry. This scheme is fully managed by the Department of Government Shipping Services and monitored by the HQ Training unit.

The scheme comprises of the following:

➤ Apprenticeship roll as at July 31 st	12
➤ Apprenticeship who have the completed scheme as at July 31 st	5
➤ 2017/2018 Apprenticeship Intake	11
➤ Total number of Apprentice as at 31 st August 2017	18

Below is a summary of the department's apprentices deployed in the various sections:

NO.	COURSES	QUANTITY
i.	Navigational and Seamanship	11
ii.	Marine Engineering	7

Highlighted are the current statuses of Apprentice stages as of December 2017/2018.

- 17 : 4th Year Apprentice - 2017
- 5 : 2nd Year Apprentice - 2008 Intake
- 11 : 1st Year Apprentice – 2018 Intake

3. DEPARTMENT OF TRANSPORT PLANNING

3.1. Introduction

The Department of Infrastructure, Transport & Policy (DITP) provides advisory role in strengthening the capability of Government to better co-ordinate transport planning and monitor policy and developments in the transport sector. DITP is mandated to advice on strategic planning issues and foster co-ordination as guided by the inputs from the external reference group comprising of key representatives in the transport sector.

The two statutory authorities, Maritime Safety authority of Fiji (MSAF) and Land Transport Authority (LTA) works in consultation with DITP in the implementation of Fiji's transport regulations while TPU facilitates and monitors the release of their respective annual Operating and Capital Grants on a quarterly basis.

Under the 2017 MoIT Annual Corporate Plan (ACP) there were five (5) outputs which the DITP is mandated to achieve.

- i. Output 1 - Portfolio Leadership, Policy Advice & Secretarial Support;
- ii. Output 4 - National Transport Consultative Forum (NTCF)
- iii. Output 5 - Sea Route Licensing
- iv. Output 6 - Government Shipping Franchise Scheme; and
- v. Output 7 - Transport Planning Database and Transport Planning Software

Operations as per Outputs Highlighted the 2017 Costed Operational Plan

3.1.1. Output 1 – Portfolio Leadership, Policy Advice & Secretarial Support

One of the major outputs for DITP is the provision of provision of policy advice and support through the formulation of Cabinet Papers to enhance portfolio leadership.

The DITP is also responsible for the formulation of Parliament and Minister's Speech, Policies, Advisories, Briefing Notes and Reports for the Hon. Minister, Assistant Minister and Permanent Secretary's office in collaboration with relevant stakeholders.

The Department ensures that relevant national laws, policies, plans and guidelines address national issues and challenges daily faced which is encompassed in the 2013 Fiji Constitution, 5 Year and 20 Year-Year Fiji National Development Plan. Nationally Determined Contribution, Green Growth Framework and Maritime and Land Transport Policies.

Cabinet papers are normally formulated through the following activities:

- Initial draft of CP;
- Consultation with relevant stakeholders;
- Finalization of CP;
- Submission of CP;
- Obtaining of Cabinet Decision; and
- Implementing of decision after Cabinet endorsement.

3.2. Output 4 – National Transport Consultative Forum (NTCF)

The Department will continuously conduct Technical Working Group (TWG) consultations with relevant stakeholders throughout the year in trying to address emerging and pressing issues surrounding the transport industry, focusing on maritime and land sectors, mostly includes the communiqués.

3.3. Output 5 –Sea Route Licensing (SRL)

For this period, the Ministry conducted its round of consultations and awareness with stakeholders and the general public in the North, West and Central Divisions respectively. This consisted of a team comprising representatives from MoIT, Maritime Safety Authority of Fiji (MSAF), Ministry of Economy and Fiji Competition and Consumer Commission (FCCC).

The consultations undertaken took into consideration the number of vessels which sustained damages and those which will be replaced after the devastating impact of Tropical Cyclone Winston. In this regard, the Ministry is in consensus with the vessel operators to defer the implementation of SRL upon seeking approval from the Ministry of Economy as earlier mentioned.

A Cost Benefit Analysis was conducted by the Department to provide a viability study of issuing licenses to economical routes in the Fiji waters through the SRL. It's currently being finalized before submitted to management then Cabinet.

3.4. Output 6 –Government Shipping Franchise Scheme (GSFS)

In an effort to provide shipping services to the maritime uneconomical routes, the Ministry, through the Government Shipping Franchise Scheme, provides services to 9 uneconomical routes to.

For the 2017/2018 financial year, the 168 trips forecasted were all undertaken. These trips were provided to the 9 franchise routes earlier mentioned, servicing 70 ports per month. Breakdown of the trips is detailed in Table 1 below.

Figure 2 - Inward & Outward Cargo In Tonnage for 2017/2018.

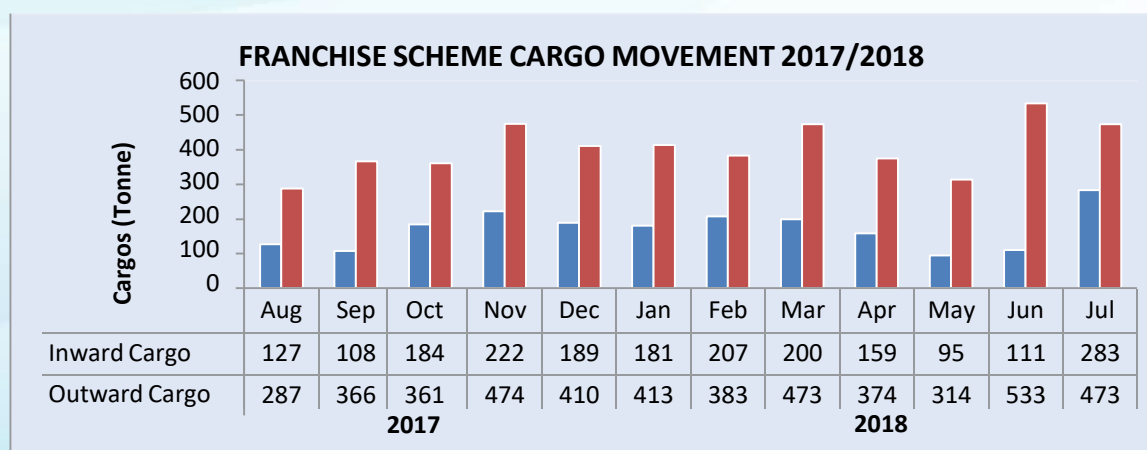


Figure 2 above shows that the outward cargo is higher compared to inward cargo for the duration of the reporting period (August 2017 – July 2018) regardless of its fluctuation trend experienced. This shows that the rural maritime islands are acquiring more from the urban market in terms of groceries, household items,

building materials, fuel and so on which could also be a direct result of increasing economic activities whereby they have increase their produce for the urban market due to the monthly shipping services provided by the scheme.

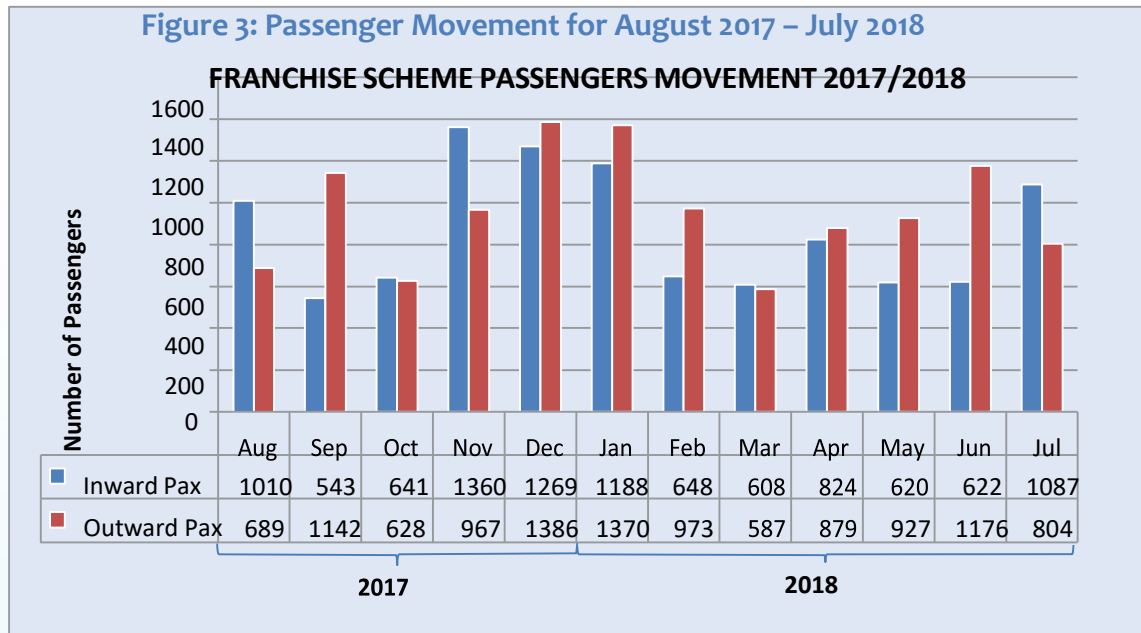


Figure 3 shows the movement of passengers to and from the uneconomical maritime islands within Fiji. The higher number of passengers travelling in January, February, August, November and December is mainly due to the Festive Seasons, School Breaks, Church Conferences and Hibiscus Event.

3.5. Output 7 - Transport Planning Database and Transport Planning Software

The 2nd Phase of the Fiji Household Travel Survey was undertaken in 2017/2018 financial year covering a period of fourteen (14) weeks from 23rd April to 07th August 2018. Due to limited financial resources, the project was run by the department (TPU) with the assistance of our overseas field and data base consultant. A total of thirty (30) project officers were recruited by the department including field officers and data entry operators. One Hundred and Fifteen (115) enumeration areas (EAs) were randomly selected for Phase II to with the target of 2000 households. This consists of 1% on the total population.

A final report should be produce by Predict Consultant (Database Consultant) by late 2018.

3.6. Conclusion

DITP will continue to be challenged in ensuring that the provisions of Fiji's 2013 Constitution, Section 34 " Right to reasonable access to transportation" is achieved throughout Fiji.

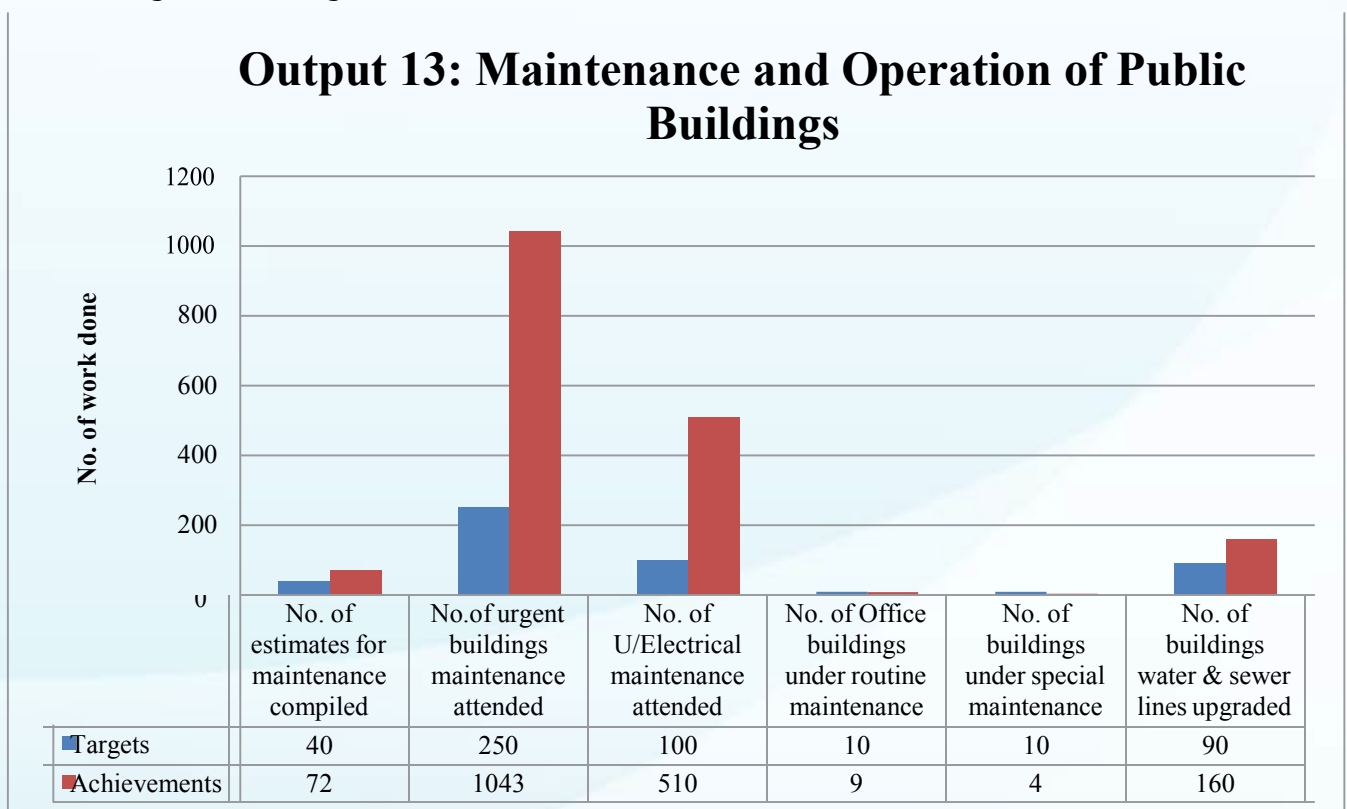
Therefore, it is imperative that the Department strive for continuous improvement to maximize effectiveness and efficiency in delivering the services of the department's outputs.

4. DEPARTMENT OF BUILDING AND GOVERNMENT ARCHITECTS

The Department of Building & Government Architect is responsible for the provision of professional advice through consulting services, conceptual designing, quality architectural and structural drawings, project planning and management, costing and scheduling through quantity surveying, programming and monitoring from project inception to completion, administrative of tenders and contracts for capital works.

The Department contributes to the strategic direction of the Ministry through Output 13, and 14 as outlined in the 2017-18 ACP. The Outputs consist of the following;

- Maintenance and Operation of Public Buildings
- Design and Costing Services



Under Output 13 on Maintenance and Operations of Public Buildings the Department was able to exceed the overall targets of all key performance indicators as depicted on the graph above.

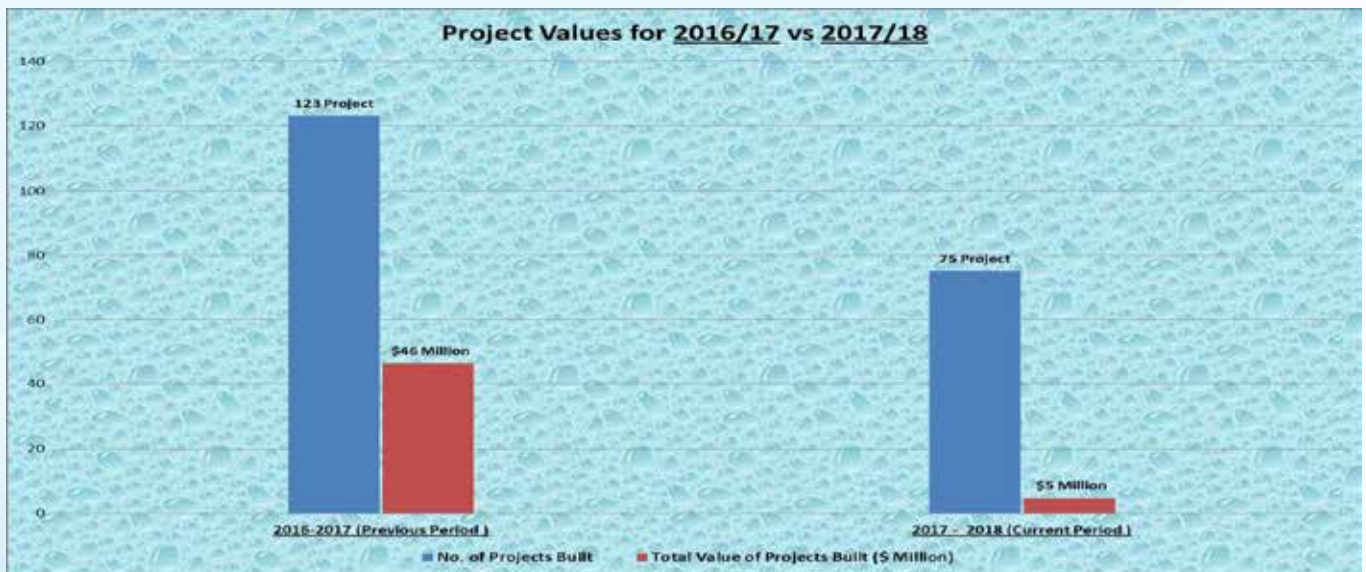
Output 13 - Maintenance and Operation of Public Buildings Projects



Lawaqa Agriculture Office, Sigatoka Building 133, Nadi

For Design and Costing tabled below is the summary of work carried out in 2017-18.

Previous Period 2016/17		Current Period 2017/18	
No of Project Built	Total Value of Projects Built	No of Project Built	Total Value of Projects Built
123	\$46,294,889	75	\$4,771,7222



The decrease in work in the current year relative to the previous year was due to the reduced amount of TC Winston Rehabilitation works that was carried across into this year.

Output 14 – Design and Costing Projects



Valelevu Youth and Sports Complex



Government Shipping Services Warehouse

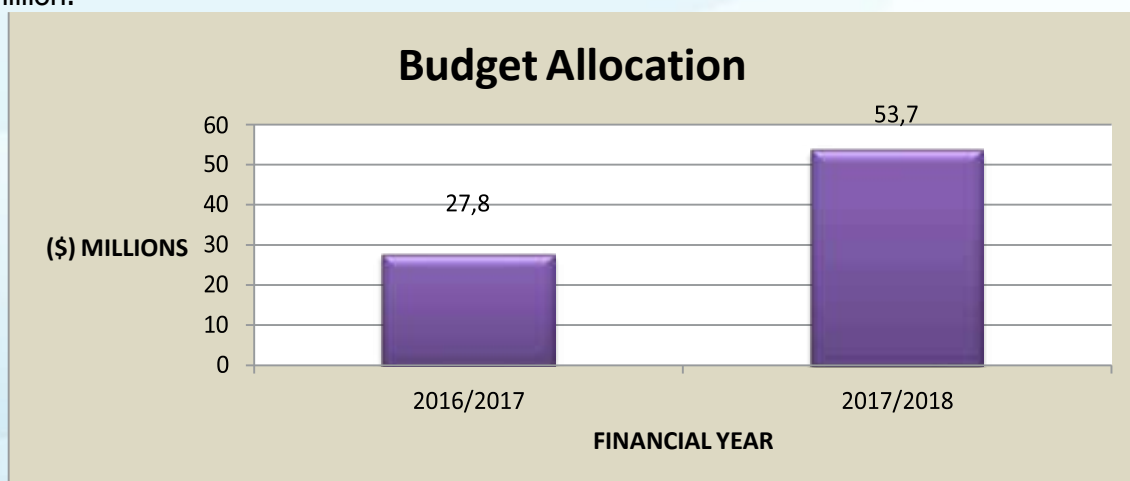
5. DEPARTMENT OF ENERGY

The main objective of the Department of Energy (DOE) is to have a resource-efficient, cost effective and environmentally-sustainable energy sector in Fiji. DOE intends to achieve this through providing an enabling environment that will facilitate the provision of sustainable energy sector and ensure access to affordable, reliable, modern & resilient energy services to all Fijians.

The Department of Energy was allocated \$53.7M in its 2017/2018 Budget. There was an increase of 93% from the 2016/2017 budget with a total budget of \$27.8M. The capital budget had increased to \$49.9 million. A number of large grid extension projects are earmarked for 2017-2018: Waiyala, Sewene, Wema, Korovou, Nasikawa villages and a nearby settlement in Keiyasi at \$1.9 million (the remaining 50% of the cost will be contributed by FEA); villages at Mali and Vorovoro Island at \$1.3 million; Lagalaga settlement in Labasa at \$1.8 million; Welagi, Qila settlement, Vunidawa settlement, Nauloni in Taveuni at \$961,579; Solove stage I, Seaqaqa at \$1.7 million and Nakoroboya Primary School, Village and settlements at Nakoroboya, Ba Grid extension had also been allocated a sum of \$1.4 million.

Funding was also provided for the continuation of Renewable Energy Development Projects at \$525,000, Energy Conservation Implementation project at \$125,000, Energy Conservation Assessment at \$160,000, Upgrade of Lakeba and Rabi Biofuel Mills at \$200,000 and Biogas Development in Rural Areas at \$200,000.

The Rural Electrification Program was allocated \$33.8 million for the following: grid extension projects worth \$20.3 million, house wiring at \$2.0 million and the installation of new solar home systems at \$11.5 million. The cyclone rehabilitation of Solar Home Systems and Diesel schemes was allocated \$5.9million.



With the huge chunk of budget the department contributed extensively on the Outcome 1; Harness all renewable energy potential in Fiji through comprehensive assessment of Fiji's renewable energy resources as outlined in the Annual Corporate Plan for the Ministry.

Some of the major achievements for the 2017/2018 Budget are as follows;

5.1.Under Strategic Output 1

Renewable Energy Development Programme budget was utilized on the rehabilitation of the eight (8) Wind Monitoring Sites that were damaged during TC Winston. The sites were QVS in Tailevu, Navolau, Tuvavatu, Raviravi in Ra; Wainisavulevu in Naitasiri; Nadrau and Nakeito in Nadarivatu and Delaitagaloli in Ba. The 8 WMS were part of the 15 WMS that the Department had installed as part of its continued monitoring works on wind resources around the country.



Figure 1: Sanasana Wind Monitoring Site

5.2.Under Strategic Output 2

The Rural Electrification Programme aims to provide electricity access to remote and outer islands through Energy Fiji Ltd (EFL) Grid Extension & House wiring, Solar Home Systems, Solar –Diesel Hybrid System and other renewable energy sources.

EFL Grid Extension & House wiring

The Department had paid EFL a total of \$34.1M for the grid extension of 146 schemes. The extension of grid will benefit a total of 3,556 households in the Central (592) with \$4.2M; Northern (1732) with \$17.7M and Western (1232) with \$12.1M.

The EFL had commissioned and energized a total of 91 ongoing grid extensions from Jan 2017 to date. This had connected more than 3000 households to the grid network. Solar Home Systems

Another REP that the Department is embarking on is the SHS. In the 2017/2018 budget, Government has installed an additional 2635 systems with total cost of \$7.5M. Out of which, \$6.9M is for the Supply, Testing, Storage and the remaining balance of \$566, 525 is for the Installation and Commissioning of the Systems. The completion installation will increase the total number of systems installed to 11,135 Systems.

Meanwhile the contractors are undertaking the internal house wiring and the installation work are expected to finish by end of 2018.

Solar- Diesel Hybrid Systems

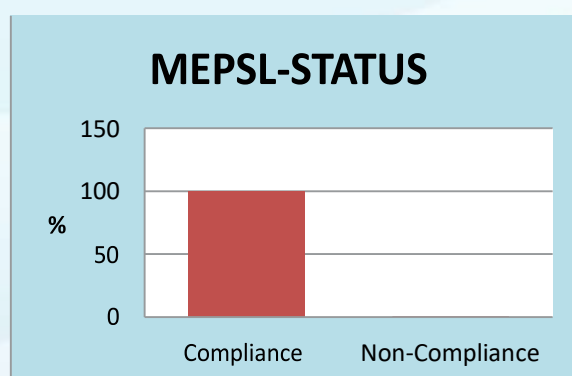
The Department has installed two Solar-Diesel Hybrid Systems at Tukavesi Government Station and Solevu High School in Bua. The two projects have an installed capacity of 60kW and 30kW respectively. The total installation cost was \$890,048.92 for Tukavesi and \$685,046.28 for Solevu High School. The completion of the two projects benefited the Tukavesi Government Station, Tukavesi Village and the Solevu High School.

The areas of installation are as follows:

Area	# of Installation
Qamea	305
Bua	354
Navosa	177
Lomaiviti	213
Ba/Yasawa	322
Tailevu	70
RA	46
Kadavu	459
Naitasiri	7
Macuata	106
Cakaudrove	19
Rewa	142
Nadroga	7
Serua	17
Namosi	21
Lau	189

5.3. Under Strategic Output 3

Energy Conservation Implementation & Assessment programme the budget was utilized on creating energy efficiency awareness materials and placing radio adverts on FBC and CFL alongside with 368 spots airing advert on Television. The department also managed to conduct two trainings on Energy management systems from Fiji Ports Authority and Rainforest Eco Resort. Furthermore the department obtained 99.8% of compliance status under Minimum Energy Performance Standards and Labeling for importation of Household appliances into the country.



6. DEPARTMENT OF WATER AND SEWERAGE

The Department of Water and Sewerage (DWS) is responsible for providing professional advice on policies and strategies for water and sanitation, development of policy framework for technical and economic regulations for water supply, sanitation and water services in rural areas and coordination of water sector activities and policies with other sectors of the economy and international bodies.

The Water Authority of Fiji (WAF) is the statutory body that works in consultation with the Department in terms of Water Supply and Sanitation Management in the urban and rural areas.

Under the 2017- 2018 MOIT ACP, there were twelve (12) outputs which the department is mandated to achieve.

- 1) National Water and Wastewater Policy
- 2) National Water and Wastewater Act
- 3) National Water Resources Management and Sanitation Policy
- 4) National Liquid Trade Waste Policy
- 5) Water Carting Policy
- 6) Transfer of WAF's Assets
- 7) Rural Water and Sanitation Database
- 8) Monitoring and Compliance of Rural Water and Wastewater Schemes
- 9) Monitoring and Compliance of Urban Water and Wastewater Schemes
- 10) Monitoring and Assessment of Water Authority of Fiji Projects and Budgetary Allocations
- 11) Research and Development of Low Cost and User Friendly Treatment Technologies for Water and Wastewater System
- 12) Regional and International Commitments and Obligations

Achievement of Outputs

6.1. National Water and Wastewater Policy

The National Water and Wastewater Policy was developed in early 2017 and the name was changed to National Water and Sanitation Policy to focus on water supply and sanitation in the urban and rural areas. Later in 2018 after the Water and Sanitation Hygiene (WASH) summit in Nadi on May suggestions were made during the summit to merge the National Water and Sanitation Policy and the National Water Resources Management and Sanitation Policy, which the Department is currently coordinating with the consolidation of comments from key stakeholders before another round of consultation is made and submission to cabinet for approval by 2019.



Figure 2: Government Stakeholders at the National WASH Summit in Nadi

6.2. National Water and Wastewater Act

The formulation of the National Water and Wastewater Act was halted by Management to allow review of the WAF promulgation Act and formulation of Water Authority Act which is currently in place with WAF. The Department is currently looking into the formulation of the Act to strengthen the role of the Department in terms of monitoring and regulating the Water and Wastewater sector in Fiji in consideration of the emerging issues such as Climate Change and Disaster Management which is affecting the Water and Wastewater sector in Fiji.

6.3. National Water Resources Management and Sanitation Policy (NWRMSP)

The National Water Resources Management and Sanitation Policy was initially developed by the Mineral Resources Department as there was no policy for water in place and no leading agency was present in 2011 as the Department of Water and Sewerage was recently established in 2010. The plan was for the policy to be given to the Department of Water and Sewerage to take the lead role in the implementation of policy after cabinet approval. This did not eventuate as the Department was directed in 2017 to develop an overarching policy to cover all aspects of water from catchment to consumer. Suggestions were made to merge the National Water Resources Management and Sanitation Policy and the National Water and Sanitation Policy.

6.4. Liquid Trade Waste Policy:

The Liquid Trade Waste Policy was approved by Cabinet on February 2017 and is currently being implemented by the Water Authority of Fiji and monitored by the Department of Water and Sewerage.

6.5. Water Carting Policy:

The Water Carting Policy has been developed and draft copy was circulated to key stakeholders for Their comments before stakeholder consultation.

6.6. Transfer of Water Authority of Fiji's Assets:

The Department was working with WAF for the transfer of all WSD assets to WAF and has met the 60% target.

6.7. National Water Statistics Database and the National Water Resources and Sanitation Database:

The National Water Statistics Database has been completed with training provide by New Zealand Integrated Water Agency (NIWA) and data entry is ongoing. The Database provide a snapshot of available water resources in each tikina, at a monthly time resolution, over the years 2010 to 2015, to assist with the development of water related policy. Having a snapshot of available water resources would also provide a baseline to enable future Projections of Fiji’s water resources.

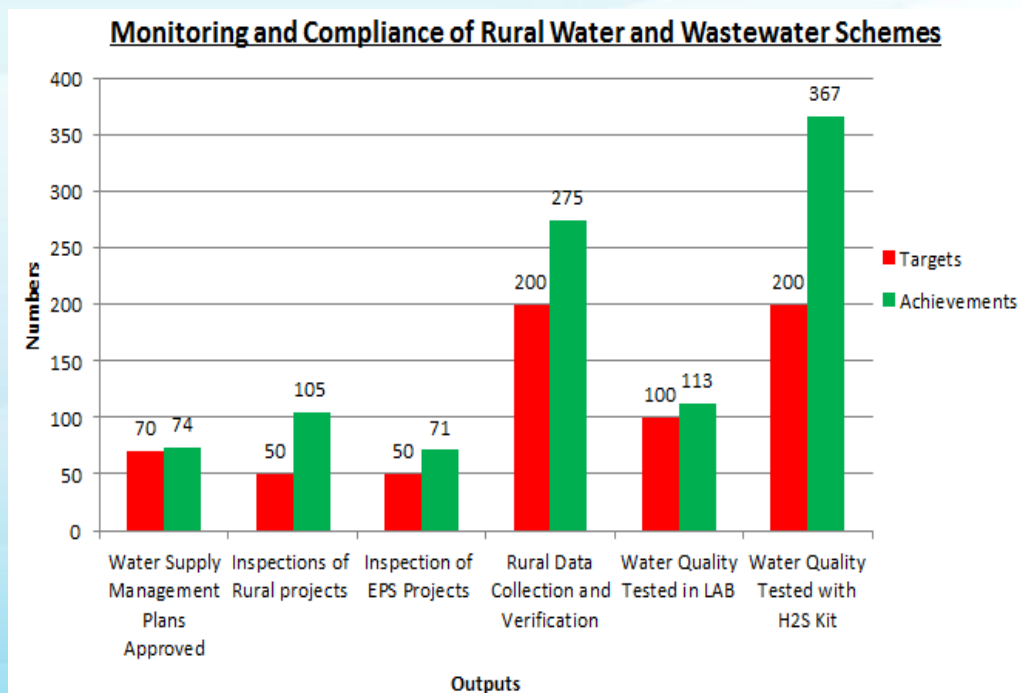


Figure 3: Dr. M S Srinivasan and Dr Ude Shankar at the FijiWAT Workshop at Meteorological Office, Vatuwaqa, Suva

The National Water Resources and Sanitation database has been developed by ITC. Data collected on data verification exercise was updated to database and 4 quarterly reports generated.

6.8. Monitoring and Compliance of Rural Water and Wastewater Schemes

The Department under this output monitors rural water and sanitation schemes and projects checking on compliance to standards and plans. All targets were achieved under this output.



Graph 2: DWS Achievements for work carried out for Rural Schemes

The Department had vetted and approved 74 Water Supply Management Plans (WSMP) and 105 rural projects and 71 Ecological Purification Systems (EPS) were inspected. The Department with JICA EPS expert Dr. Nakamoto had conducted EPS training for WAF Staffs and village water committee.



Figure 3: EPS Training with DWS Staff and EPS at Tilivalevu Village, Sigatoka



Figure 4: DWS staff inspection Rural Water Expert on site at Vitina Village, Macuata

Data collection and verification was carried out for 275 rural schemes and 113 water quality samples were tested in the Water Authority of Fiji (WAF) Lab and 367 tests were carried out using the H2S Kit.

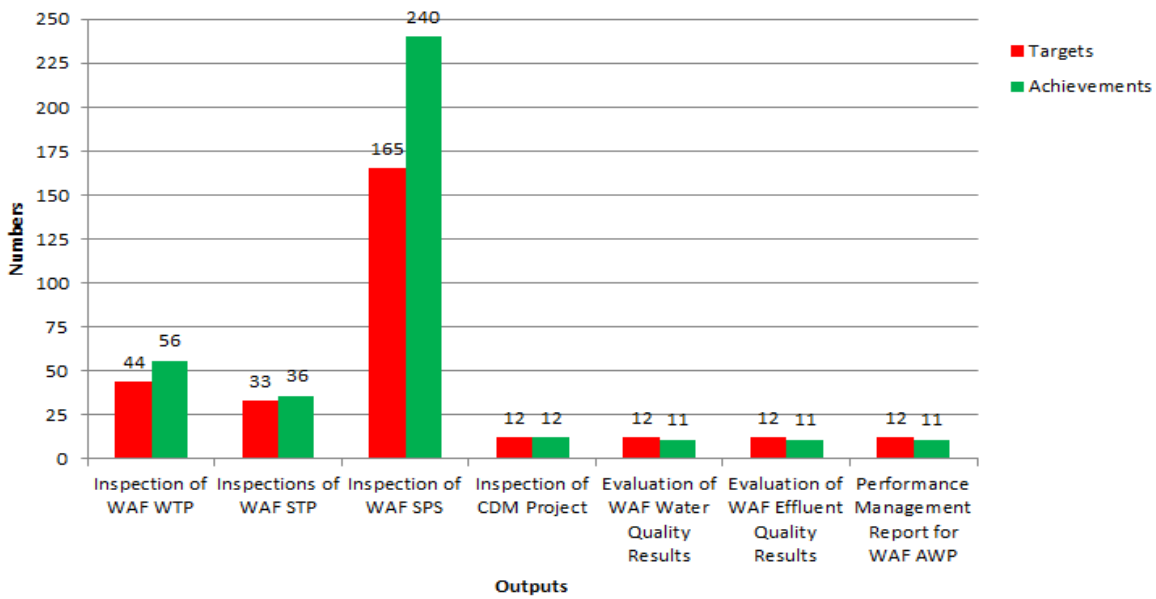


Figure 5: DWS Lab for Water and Wastewater Sampling and Testing

6.9. Monitoring and Compliance of Urban Water and Wastewater Schemes

The Department under this output carries out inspection of all WAF Water and Sewage Treatment Plants and Pump Stations and also monitors the water and effluent quality standards for WAF systems checking on compliance to the National Drinking Water Quality Standards and Environment Management Act (EMA) 2005. The Department had achieved all its targets under this output.

Monitoring and Compliance of Urban Water and Wastewater Systems



Graph 3: DWS Achievement for work carried out for Urban Systems

The Department carried out 56 inspections of Water Treatment Plants (WTP), 36 inspections of Sewage Treatment Plants (STP) and 240 inspections of Sewage Pump Stations (STP). WAF systems water and wastewater quality results were evaluated and 11 reports of each were submitted.



Figure 6: DWS staff inspecting Dreketi Water Treatment Plant



Figure 7: DWS Staff inspecting Navakai Wastewater Treatment System in Nadi



Figure 8: Inspection of WAF Wastewater Pump Station

6.10. Monitoring and Assessment of Water Authority of Fiji Projects and budgetary Allocations

The Department under this output assesses and monitors WAF's Annual Works Program for Capital projects, WAF Non Revenue Water rate and the Clean Development (CDM) project at Kinoya Sewage Treatment Plant (KSTP). The Department also attends consultative meetings on water and wastewater issues with WAF and Divisional Commissioners. The Department managed to achieve most its target under this output. The Department prepared 11 Performance Monitoring reports on WAF's Capital projects as per their Annual Works Program. 3 NRW analysis reports and 12 CDM inspections reports were also submitted. There were 11 consultative meetings conducted.



Figure 9: CDM project at Kinoya Sewage Treatment Plant

6.11. Research and Development of Low Cost and User Friendly Treatment Technologies for Water and Wastewater System

The Department under this output carries out research on Low cost and user friendly water and wastewater treatment technologies. The Department researched on the Ultrafiltration (UF) Water Treatment System and installed a pilot project in Tubalevu Village in Tailevu. The UF system treats water from the village boreholes and supplies to the community. The UF system is used as and when required. The water committee has been trained by DWS staff and they will be responsible for the operation of the system. The Department continues to monitor the water quality and the system.



Figure 10: Ultrafiltration Water Treatment System at Tubalevu Village, Tailevu

The Department also researched on Advanced Septic Tank system and installed a model at Kinoya Sewage Treatment Plant (KSTP). Three sets of septic tanks containing plastic media, coral and stone respectively were used. Tests were carried out on the three Prototypes in the DWS lab from November 2016 to December 2017). Effluent was also tested by USP and WAF labs. The results had been favorable and now would allow the Department to launch the advanced septic tank technology and start Testing in the villages.



Figure 11: On Left Mr Paul Bayley discussing Advanced Septic Tank Model details and on right the model at KSTP

6.12. Regional and International Commitments and Obligations

The Department under this output carries out activities relating to Regional and International Commitments and Obligations. The Department organized the World Water Day Celebration on 22 March, 2018 in Lautoka. The 2018 World Water Day theme was 'Nature for Water'. The Chief Guest the Honourable Minister for Local Government, Housing, Environment, Infrastructure and Transport Mr. Parveen Bala.



Figure 12: Honorable Ministers with children at World Water Day Celebration

The highlight of the Celebration was the participation of more than 400 students from 18 schools within the periphery of Lautoka City boundary. The students marched through Lautoka City from Shirley Park to the Carnival Park with their school banners, placards and posters depicting the theme of the year, led by the Natabua High School Brass Band. The students also participated in the oratory and entertainment competition, which indicated that students were well aware of the importance of nature and water.

The Department was also represented by the Director at the 25th IHP RSC-SEAP Meeting in conjunction with UNESCO-JASTIP Joint Symposium on Intra-Regional Water Security and Disaster Management in Manilla, Philipines from 13th to 16th November 2017. The Director also attended the Singapore International Water Week in Singapore. The Singapore International Water Week (SIWW) is the global platform to share and co-create innovative water solutions. The biennial event gathers stakeholders from the global water industry to share best practices showcase the latest technologies and tap business opportunities. SIWW is part of the strategic programme of the Singapore Government to grow the water industry and develop water technologies. Singapore International Water Week 2018 was held in conjunction with the 6th World Cities Summit and the 4th CleanEnviro Summit Singapore, from 8 – 12 July 2018 at the Sands Expo and Convention Centre, Marina Bay Sands in Singapore.

7. DEPARTMENT OF WORKS

The Department comprises of the three main Divisional Offices - Divisional Engineer Works Central/Eastern [DEWCE], Divisional Engineer Works Western (DEWW) and Divisional Engineer Works Northern (DEWN). The Divisional offices are responsible for the construction, maintenance and operation related to public buildings, mechanical engineering and electrical services throughout the Fiji. Each divisional office comprises of the following sections with its core functions.

i. Mechanical Section

The role and responsibility of Mechanical Section is to strategically supply, monitor, maintain and service the plants, vehicles and other mechanical alliances that is used by other department and sections within the division correlating to the 2017-2018 ACP Outputs 13, 14, 15 and 18. For this financial year; operation works were undertaken in the areas of fabrication, machining, maintenance, BOS and services carried out by the Boiler shop, Fitting/Machine Shop and Services Section. The Plant Pool Section hired out plants & vehicles to client ministries and departments. Additionally; repair and maintenance works were carried out on vehicles and plants by the Garage Sections.

ii. Electrical Section

The Electrical Section offers an inclusive electrical engineering service to clients. Services fall into two (2) main categories of capital projects and maintenance works. These categories are catered into the following core functions correlating to the 2017-2018 ACP Outputs 13, 15, 17, 21.

iii. Building Section

Responsible for the provision of professional advice, technical services, construction of works and project work for Government Departments and agencies. These include management of maintenance programme associated with public buildings, IDC projects in some rural areas and facilities owned by the ministry and other government ministries correlating to the 2017-2018 ACP Outputs 10, 11, 12, 18, and 20. The section is also responsible in the landscaping and general housekeeping of all Government Buildings in the three divisions, including the main Government building in Suva.

iv. Corporate Services (Accounts & Human Resources)

The role and responsibility of Corporate Services, which consists of the Human Resources and the Accounts Sections is to do fair selection and recruitment of staffs and train them well for the position assigned to them and their betterment. The HR Section is responsible for administering policy matters, record keeping, training and development, and looking after all administrative matters.

The Accounts Section is responsible for accounting records, data and ensures accounting practices meet the required standards of government.

Apart from budgeted activities the three divisions also operates five (5) Trading & Manufacturing Entities (TMA's) that operates on a Semi Commercial basis actively offering support services and manufactured products to other sections in the department, government agencies and the public. These TMA's are tabulated below:

TMA Entity	Trading Activity
Joinery Workshop	Manufacture, supply of furniture & building fixtures and also specializes in timber prefabricated houses and office and buildings remodeling and makeovers.
Plumbershop	Design, fabricate, and manufacture sheet metal products and provision of general plumbing services.
Plant Hire	Hire of vehicle & plants
Fuel & Oil	Sale of Fuel & Lubricants
Mechanical Workshop	Provision of automotive, electrical & mechanical engineering services inclusive of welding and fabrication.

SUMMARY OF ACHIEVEMENTS FOR THE DIVISIONAL ENGINEER WORKS CENTRAL/EASTERN

Output 10: Maintenance & Operations of Public Buildings

Building Section has received 281 complaints and has completed all for this year with a total amount of \$15,782.50 attended at Govt. Buildings & various Departments & Ministries. The Electrical Section has managed to complete 136 urgent complaints from switches to fitting tube light.

Group

1. Grp 30 Mechanical- 100% Phase 2 complete

Special

1. Lami Co-operative - 100% Phase 2 complete
2. DECE Yard - 100% Completion

Water & Sewer

1. Lami Police Station - 100% Completion
2. Nausori Police Station - 100% Completion
3. DECE Yard - 100% Completion
4. Mechanical Yard - 100% Completion
5. QVS, Tailevu - 100% Completion
6. RKS, Tailevu - 100% Completion

Output 12: Construction Services

For this year, we have some carry-over projects and some commenced this year, currently project status are as detailed below;

- | | | |
|---|------|------------|
| 1) Prime Minister's Office (Carnavon St)– | 100% | completion |
| 2) Director Secretary General Office – | 100% | completion |
| 3) Police Forensic Building (Nasova) - | 100% | completion |
| 4) Navua X-ray Room - | 100% | completion |
| 5) Koronivia Molecule Lab - | 100% | completion |
| 6) Talatala Resident Muanikau - | 100% | completion |
| 7) Muanikoso Footpath - | 100% | completion |
| 8) Construction of Plinth @ GB - | 100% | completion |
| 9) Parliament complex minor works - | 100% | completion |
| 10) Judicial Minor works - | 100% | completion |
| 11)Erection of flag pole - | 100% | completion |
| 12) Cabinet office minor works - | 10% | completion |

Output 13: Building Services – Air-Conditioning, Lift Service and Fire Extinguishers

For this year some works were attended to at various government departments and ministries for the supply & installation of new Air-Conditioning (AC) systems. A total of 43 air-condition works were completed. This year has seen the value of work undertaken to be \$47,932.75 with 2nos carried forward to next year. This year there was a total of 151 installation of new fire extinguishers at budget of \$30,000.00

Output 14: Repair & Maintenance – Vehicle and Mechanical Services

For this year the garage section completed a total of 533 JRS with a value of \$137,905.34. There are still some major repairs from the Garage & Tractor Shop section that are still progressing. Minor repair works are in progress to maximize the utilization of vehicles on the road. Most of the works carried out are minor and running repairs with major repair works awaiting funds and parts.

Output 15: Plant Pool – Hire of Vehicles and Fuel Trading

Plant Pool Section was able to hire out light and heavy vehicles to government ministries with a total of 6,237 the plants, light and heavy vehicles. The total value of work undertaken by Plant Pool through hire of vehicles and plants is \$1,134,622.50 with the total volume of fuel sold is 170,038 litres worth \$243,680.55

Output 16: Electrical Services – Maintenance

The Electrical Section has received allocation for electrical admin and 20nos work is completed with a value of \$230,690.55.

Output 17: Electrical Services Administration

This output incorporates the electrical maintenance of Rural Government Stations in the Central Eastern Division. Works are progressing for Kadavu, Lakeba, Taveuni, Nabouwalu & Rotuma RGS with the value of progress works of \$240,689.50

Output 18: Workshop Construction – Fabricated steel works, fitting machining and Electrical Repairs

The Mechanical Section there are 64nos works completed for the Fitting/Machine Shop with the value of the works undertaken is \$64,823.51. The Boiler Shop section has completed 85nos for this year at the value of work undertaken to be \$199,792.09. The Electrical section registered 38nos completed works for workshop motor rewinding and construction with the total value of the works at \$86,780.30.

Output 19: Joinery and Plumbing Works

There was 252nos works completed by Joinery Shop for this year with a total value of \$275,690.42. There was 77nos works completed out by Plumber Shop for this year with a total value of \$138,802.35.

Output 20: Transportation of Freights and Freights Handling

This output incorporates Building and Electrical Section in freight shipments to Government (Govt.) stations to outer islands and are measured in volume and value of the freight being transported. The total cartridge for this year was 1,538.7 ton at the value of \$121,553.78 Cartridge comprised of materials for Building Section and Electrical section transported fuel for the 5 Rural Govt. Stations.



SUMMARY OF ACHIEVEMENTS FY2017/2018 – DIVISIONAL ENGINEER WORKS WESTERN

Under the Ministry's responsibilities in achieving Government Strategic Priorities and Outcomes, the Department of Works West is assigned eight (8) major Ministry's Outputs, as detailed below with its performance achievements.

Output 1: Repairs and maintenance and operations of public buildings (Capital Projects)

Ensure that Government Buildings are properly maintained and upgraded. This includes project scoping, estimating, maintenance and handover.

Scoping & Estimates

No. of estimates	11
Value of estimates	\$183,552

Urgent Buildings & Electrical maintenance

No. buildings complaints attended	183
Value	\$39,530
No. electrical complaints attended	165
Value	\$32,685

Buildings Routine Maintenance Program

Listed below are the buildings maintained under the above program.

No	Project	Locality	Value of Work
1.	DEWW Yard Maintenance	DEWW yard, Lautoka	\$253,874

Buildings Special Maintenance Program

These maintenance projects are carried out on a building that urgently needs maintenance due to the dilapidated state.

No	Project	Locality	Value of Work
1.	Lawaqa Agriculture Station	Sigatoka	\$75,050
2.	Lawaqa DO's Office	Sigatoka	\$77,050
3.	Govt Buildings, Nadi	Nadi	\$145,990
	Total		\$298,090

Sewer Relining Projects

These projects involve the upgrading of the sewer reticulation systems in government premises (Quarters & Office complexes).

No	Project	Locality	Value of Work
1.	Commissioner's Office	Lautoka	\$40,330
2.	Natabua Prison	Lautoka	\$68,080
3.	Natabua H/School	Lautoka	\$145,670
4.	Lautoka Police Station Phase 1	Lautoka	\$140,526
5.	DEWW Yard	Lautoka	\$76,000
	Total		\$470,606

Output 2: Constructions, Building services and improvements

Construction of Government offices, buildings and client funded projects to specifications and standards as per plans inclusive of Road works.

No.of IDC projects estimates completed	37
Value of estimates	\$2,369,279

There were no IDC construction jobs carried out in the year.

Output 3: Repairs and maintenance -Motor Vehicles and Mechanical Services (TMA)

Ensure that all vehicles and plants in the Department's Pool are repaired and effectively maintained.

No.of jobs	706
Value of jobs	\$151,650

Output 4: Plant Pool – Hire of vehicles and fuel trading (TMA)

Operation of a profitable and reliable vehicle and plant hire & fuel trading service.

No.of vehicles hired	2,679
Value of hire	\$679,698
Volume of fuel sold	79,575
Value of sale	\$155,820

Output 5: Repairs and maintenance Administration– Electrical Infrastructure

Affordable and sustainable electrical power supply for rural government stations and nearby communities.

No.of jobs	Work only carried out in DECE & DEWN
Value of jobs	Work only carried out in DECE & DEWN

Output 6: Construction – Electrical Services Administration

Upgrading electrical infrastructure in compliance to AS/NZ standards.

No.of jobs	06
Value of jobs	\$80,603

Output 7: Workshops construction – Plants and fabricated steel works.

Ensure that workshop construction works relating to plants and fabricated steel works are completed successfully.

No.of fabricated steel works completed	47
Value of Works	\$8,903
No of Fitting & Machining Works completed	12
Value of Works	\$3,296
No of Electrical Works	05
Value of Works	\$51,761

Output 8: Joinery and Plumbershop

Fabrication and sale of office and quarters fittings and furniture.

No of joinery jobs completed	38
Value of Works	\$39,501
No of Plumbershop jobs completed	04
Value of Works	\$61,715

Output 9: Transportation of Freight & Freight Handling

Government freights are adequately transported to required destinations.

Tonnage Freight	26.5
Cost of freight	\$2,175.61

TMA OPERATION

Entity	Joinery	Plumber shop	Fuel & Oil	Plant Hire	Workshop
Revenue	\$109,205.29	\$544,237.88	\$116,343.83	\$790,283.46	\$222,231.68
(Expenditure)	\$132,009.06	\$621,878.73	\$109,949.93	\$781,959.21	\$252,452.01
Income	-\$22,803.77)	-\$77,640.85)	\$6,393.90	\$8,324.25	-\$30,220.33)

Output 10: Maintenance & Operations of Public Buildings

1. DEN Yard – WAF 100%
2. DEN Yard Drainage Works 100%
3. Alteration ,Re roofing 7 Refurbishment MSAF Office 100%
4. Water Sewer Relining Package 3 Vatunibale 100%
5. Labasa Police Station Phase I Sewer Relining 100%
6. EPS projects – Dama village – 100%
7. EPS project – Nawi village – 100%
8. EPS project – Vaturamulo village 100%
9. EPS project – Navakaka village 100%
10. EPS project – Wailevu Village 100%

Output 14: Repair & Maintenance – Vehicle and Mechanical Services

For this year, the mechanical section was able to receive 30 JRS with an income of \$29,884.11 for The repairs and maintenance of government fleets

Output 15: Plant Pool – Hire of Vehicles and Fuel Trading

Plant Pool Section was able to hire out light and heavy vehicles to government ministries with a total amount of \$228,713.84 in revenue and \$67,565.69 revenue earned from the Sale of fuel.

Output 19: Joinery and Plumbing Works

There was 29 no's of works completed by Joinery Shop for this year with a total value of \$43,129.16, while Plumber shop completed 15 no's of work with total value of \$28376.60.

Output 20: Transportation of Freights and Freights Handling

The Northern division was able to reach a value of 1360 tons amounting of \$144933.80 for the year for carting materials for Building Section to various job site and carting of generators , fuel and oil to Nabouwalu RGS . Also carting generator motors to DECE for servicing.

In this financial year 2017/2018, the Division Overall it can be noted that it has progress with all the works inclusive of special and routine maintenance which have been completed and attendance to urgent maintenance at various department and ministries.

Mechanical Sections are meeting their targets outputs. For this financial year, the Mechanical Section has a total value of work undertaken 21778 worth of \$331727.44

The Building section also has a total value of work undertaken 815 worth of \$9,828,387.76 which have been completed for this financial year.

The Division sincerely looks forward to a very challenging financial year 2018/2019

8. DEPARTMENT OF GOVERNMENT SHIPPING SERVICES

Government Shipping Services continued to serve the Ministry and the nation as a whole in the financial year 2017/2018 with total success with its maintenance and operational programmes with the service deliver for the related Ministries/ Departments and even private organizations within its limited resources for annual allocations.

However, 2017/2018 was not a favourable year for GSS on capitals works where lack of staff, late submissions as well as late completion of Tender documents for capital work projects resulted in the setback.

GSS has totally learnt its lesson and mistakes from the 2017/2018 capital works setback and is preparing well for its footing for a successful 2018/2019 capital works projects.

A total expenditure of \$19,187,100 was incurred and revenue of \$2,110,781.51 collected

The report also represents information on the various activities undertaken by Government Shipping Services in 2017/218, through the following work programmes.

FUNCTION:

1. To serve government's shipping service need by:
 - a. Providing shipping & related services
 - b. Developing of shipping strategies & maritime infrastructure.

2. To operate & maintain mandatory marine navigational aids:
 - a. Ensure safe passage for maritime users through construction and installation of lighthouses, mooring buoys and beacon;
 - b. Ensure safety at sea for passengers.

3. To facilitate professional and mandatory maritime training:
 - a. Provide relevant technical training and on-the-job training for apprentices thus increasing the opportunities for employment thereby contributing to the promotion of social and economic growth;
 - b. Facilitate training for Fiji maritime officers & administrators, etc.
 - c. Promote EEO in all aspects of our operations.

FINANCE

Government Shipping Services was allocated a budget of **\$23,363,100** for its Operational and Capital Projects allocation for 2017/2018.

The Breakdown of the GSS Budgetary Provision for 2017/2018 is as follow

GOVERNMENT SHIPPING SERVICES	
Total Allocations 2017/2018	\$23,363,105.00
Total Operating	\$ 10,624,322.00
Total Capital Projects	\$ 11,266,252.00
Special Expenditure(Misc)	Nil
VAT	\$ 1,472,531.00
TOTAL	\$ 23,363,105.00

REVENUE RECEIPT

MONTH	FREIGHT	FARE	CHARTER	CHARTER FRANCHISE	TOTAL
AUGUST	\$1,335.82	\$3,179.55	\$15,556.55	\$0.00	\$20,071.72
SEPTEMBER	\$418.50	\$3,983.80	\$1,403,479.76	\$52,000.00	\$1,459,881.76
OCTOBER	\$977.40	\$2,153.15	\$14,500.00	\$27,000.00	\$44,630.55
NOVEMBER	\$2,522.48	\$1,841.50	\$83,452.24	\$34,000.00	\$121,816.22
DECEMBER	\$23,694.87	\$18,465.65	\$41,982.56	\$0.00	\$84,143.08
JANUARY	\$6,592.40	\$22,418.85	\$5,443.10	\$0.00	\$34,454.35
FEBRUARY	\$1,618.40	\$2,172.25	\$14,138.11	\$27,000.00	\$44,928.76
MARCH	\$6,232.65	\$3,526.80	\$10,000.00	\$13,500.00	\$33,259.45
APRIL	\$20,295.07	\$4,592.60	\$0.00	\$34,000.00	\$58,887.67
MAY	\$7,519.22	\$10,159.10	\$73,652.58	\$7,000.00	\$98,330.90
JUNE	\$18,786.69	\$8,111.55	\$0.00	\$7,000.00	\$33,898.24
JULY	\$18,268.96	\$10,709.35	\$0.00	\$47,500.00	\$76,478.31
TOTAL	\$108,262.46	\$91,314.15	\$1,662,204.90		\$2,110,781.51

SUMMARY:

FREIGHT RECEIPT	\$ 108,262.46
PASSAGE/FARE	\$ 91,314.15
CHARTER FRANCHISE	\$ 249,000.00
CHARTER	\$ 1,662,204.90
Total	\$2,110,781.51

OPERATIONS

The Department with 12 vessels was able to deliver shipping services to related stakeholders and includes the transportation of materials and machineries for the development of the Maritime and Rural communities.

Listed below is the monthly vessel movement for the department

VESSEL MOVEMENT 2017/2018

AUGUST/SEPTEMBER

Vessel	Voy No.	Date	Days	Destination	Department
Sigavou	1	01/08-07/09	6	Cart water to villages in Kabara	CWD
Vatulawa	1	08/08-18/08	10	Cart water tanks to Fulaga, Vatoa and Ono 71 water tanks in total	CED
Vunilagi	1	09/08-17/08	8	Drop off Lau delegates to Matuku, Ono, Vatoa, Ogea, Fulaga, Kabara, Moce, Vanuavatu & Cicia 55pax 10T	WAF/CED
Cagivou	1	15/08-20/08	5	Tour Minister of Womens & Minister of Fisheries to Moala, Totoya, Oneata, Lakeba, Nayau, Tuvuca & Vanua Balavu 76pax 70T	CED

Iloilovatu	1	16/08-27/08	11	Delivery of water tanks to Vunisea, Gau, Batiki, Koro, Levuka & Moturiki 1 pax 20T	Ministry of Womens
Vunilagi	2	20/08-25/08	5	Pick delegates from Daviqele, Dagai, Tavuki, Vunisea, Rakiraki, Kavala & Vabea for the Kadavu Provincial Council Meeting 3pax	CED/WAF
Cagivou	2	21/08-23/08	2	Charter trip to Sawaieke village, Gau Pax 130 2T charter cost \$13,556.55	CED
Iloilovatu	2	26/08-27/08	1	Franchise trip to northern Vanua Levu Malau, Cikobia, Naqelelevu, Rabi, Saqani, Lakeba, Tawake, Wainiika, Yasawa, Vunikodi, Nabouono, Nukudamu, Nukusa, Cawaru & Malau outbound pax 6, inbound pax 2	Charter
Vunilagi	3	26/08-02/09	7	3 rd Island Court sitting, Moala, Matuku, Oneata, Lakeba, Nayau, Vanua Balavu, Cicia, Koro, Nairai & Gau	Franchise
Cagivou	3	27/08-08/09	12	3 rd Island Court sitting, Moala, Matuku, Oneata, Lakeba, Nayau, Vanua Balavu, Cicia, Koro, Nairai & Gau	Judiciary

OCTOBER

Vessel	Voy No.	Date	Days	Destination	Department
Vunilagi	5	08/10-13/10	5	Franchise trip to northern Vanua Levu Malau, Cikobia, Naqelelevu, Rabi, Saqani, Lakeba, Tawake, Wainiika, Yasawa, Vunikodi, Nabouono, Nukudamu, Nukusa, Cawaru & Malau outbound pax, inbound pax	Franchise
Vatulawa	2	09/10-15/10	6	Delivery of emergency water to Dravuni, Buliya, Naqara, Vatulele and Malolo. ETD Wed 11/10 @ 0200hrs,	CED
Sigavou	3	14/10-18/11	4	Delivery of emergency water to Dravuni, Malolo and Yasawa	CED/CWD
Vunilagi	5	15/10-16/11	31	Demarcation and refurbishment of the grave site in facilitation of listing Makogai as a National Heritage	Heritage
Vatulawa	3	17/10-30/11	43	Delivery of water to Malolo and Yasawa and also delivery of school building materials to ratu Lalabalavu, Solevu, Malolo and to Vatulele Primary	CWD
Iloilovatu	5	22/10-25/10	3	Recovery of Iloilovatu STBD anchor in Ono-i-Lau with a 5 men diving team	GSS
		28/10-	6	To officially introduce the newly appointed DOES Rotuma	CED

Iloilovatu	6	03/11		of department in Ahau government station and to the Rotuma Island Council Members.	
TNW	1	29/10-04/11	6	To carry out training and awareness to villages in Moala, Totoya and Matuku. Deploy FAD and visit Fisheries Projects on the 3 islands	Ministry of Fisheries

NOVEMBER

Vessel	Voy No.	Date	Days	Destination	Department
TNW	2	17/11-24/11	27	Deploy FADs and collection of fish from Fishermen Association visiting Makogai, Wakaya, Ovalau, Moturiki, Batiki, Nairai and Gau	Fisheries
Vunilagi	6	18/11-24/11	6	Franchise trip to northern Vanua Levu- October trip	DITP
Sigavou	4	19/11-25/11	6	Transport sawmill equipment and 2 vehicles to Lakeba pax 7 T	Forestry
Cagivou, Dre Donu & Sigavou	N/A	20/11-23/11	N/A	Relocated to anchorage place Suva harbour	GSS
Sigavou	5	28/11-03/11	5	RFMF building materials to Rotuma, Trip #1 4 RFMF personnel, 220T	RFMF
Iloilovatu	7	29/11-07/12	8	Undertake project preparatory works on projects that have been endorsed by the honorable PM 36 pax, 10T	CED
Vatulawa	3	30/11-08/12	8	Delivery of ice machine, generator to Lakeba and on completion proceed to Weilagilala to repair the light house.	Ministry of Fisheries

DECEMBER

Vessel	Voy No.	Date	Days	Destination	Department
Vunilagi	7	02/12-09/12	7	Northern Vanua Levu franchise- November trip.	DITP
Cagivou	4	03/12-15/12	12	4 th Island Court Sitting 19 pax 1T	Judiciary
Sigavou	6	05/12-09/12	4	RFMF building materials for Rotuma hospital Trip #2	RFMF

				4pax, 200T	
Dautukituki	1	09/12-22/12	13	Beacon works at Vunisea and Kavala	MSAF
Sigavou	7	09/12-15/12	6	RFMF building materials for Rotuma hospital Trip #3 11pax, 181T	RFMF
BNT & Vatulawa	N/A	11/12	N/A	Relocated to sea.	GSS
Iloilovatu	8	12/12-16/12	4	To take the Rotuma delegation back to Rotuma. The delegation includes 7 chiefs that paid a visit to his Excellency the President to discuss matters pertaining to the administration of the island of Rotuma. 131pax, 10T	CED
Vatulawa	8	15/12-23/12	8	Take h-beams to Vunisea, ETD Totoya 17/12 @ 0735hrs Transport of light house materials to Totoya and Vatoa. 7pax 75T	GSS, CIVIL DESIGNS
Vunilagi	8	23/12-22/12		Northern Vanua Levu franchise- December trip Pax 5 cargo 25T	DITP
Iloilovatu	9	20/12-22/12		Charter trip to Vanua Balavu 70pax 10T	Charter
Cagivou	5	20/12-22/12		Government officials to Koro 57pax 6T	Min of Y&S
Iloilovatu	9	22/12-24/12		Charter trip to Kabara	Charter
Cagivou	5	22/12-23/12		Charter trip to Nabouwalu, Kadavu	Charter
Cagivou	6	28/12-22/12		Pick up from Nabouwalu, Kadavu	Charter
BNT	N/A	28/12-04/01	N/A	Slipping BNT-#2	GSS/FSHIL

JANUARY

Vessel	Voy No.	Date	Days	Destination	Department
Iloilovatu	10	01/01-05/01/18	4	Pick up charter group from Vanua Balavu & Kabara	Charter
Cagivou	7	06/01-11/01/18	5	To transport the Teachers and Students to Rotuma to resume duties on the 10 th .	Min of Education

Vunilagi	9	03/01-08/01/18	5	To transport RFMF officers and deliver the building materials for the Rotuma hospital. D (29pax ,6.5ton cargo) A (15pax, 6ton cargo)	RFMF
Sigavou	5	05/01-12/01/18	7	To facilitate the franchise for January.	TPU
Vatulawa	9	18/01-26/01/18	8	To deliver the H-beams to Barge Dautukituki in Kadavu for the beaconing works. 30 ton cargo	MSAF
Vatulawa	10	28/01-31/01/18	3	To deliver the M-Paisa help for home initiatives to Qamea and Yacata Island.	M-Paisa
Sigavou	6	28/01-03/02/18	6	To deliver the Lakeba Pine harvest to Suva. D (15pax, 35 ton cargo) A (16pax, 29.6ton cargo)	Min of Forestry

FEBRUARY

Vessel	Voy No.	Date	Days	Destination	Department
Sigavou	8	15 - 22/02/18	7	RFMF Engineers to Rotuma 50T 15 pax Arrival: 12 pax 5 ton cargo	RFMF Engineers
Vatulawa	11	17 - 24/02/18	7	Transport water to Ono-i-Lau	CED
Iloilovatu	11	18/02 - 24/02/18	6	Initial Assessment 100pax 69T	CED
Cagivou	8	18/02 - 20/02/18	2	Transport generators to Nabouwalu, Bua 7pax 24T	DEWCE
Vatulawa	12	28/02 - 07/03/18	10	Deliver the project material for Ministry of Industry, Trade and Tourism to Cicia, Tuvuca and Vanua Balavu.	MITT
Cagivou	9	21/02/18 - 23/02/18	2	To transport family and relatives to attend funeral gathering in Moala. 152 pax, 9ton cargo.	Charter
Sigavou	9	25/02 - 01/03/18	7	To deliver the M-Paisa Help for homes initiatives for Lomaiviti	Min of Economy

MARCH

Vessel	Voy No.	Date	Days	Destination	Department
Vunilagi	10	16/03-23/03/18	7	Franchise trip to northern Vanua Levu, Vunilagi to drop off building materials and on completion depart for Malau. Franchise commences on Mon 19/03.	DTPU
Vunilagi	11	25/03/18-29/03/18	4	Yasawa Franchise 2 passengers & 25 ton cargo	DTPU
Iloilovatu	12	02/03/18-24/03/18	22	Western Dental team to conduct conservative treatment in Yasawa.	Dental team

APRIL

Vessel	Voy No.	Date	Days	Destination	Department
Cagivou	10	03/04-04/05	31	Election Awareness to the Lau group	FEO
Iloilovatu	13	05/04-12/04	7	Water capabilities survey and delivery of government project materialsto Lau and Lomaiviti 24 pax 83T	CED
Vunilagi	12	06/04-08/04	2	Delivery of building materials to Gau and Nairai	CED
Sigavou	10	15/04-21/04	6	IDA Kadavu 17pax, 21T, will cover baba ceva from Galoa, to Tiliva across to Ono 1 x hoist truck, 3x4 wheel drive	CED
Iloilovatu	14	15/04-21/04	6	IDA Kadavu 120pax, 10T will cover baba Tokalau from Kavala to Lomati	CED

Vunilagi	13	15/04-27/04	7	Vessel relocated to Lautoka for the Yasawa franchise 16-19 April. Departure to Ltk pax and cargo NIL	TPU
Dautukituki	2	19/04-15/07/18		Beacon works Beqa, Navua and Pacific harbour	MSAF
Sigavou	11	24/04 - 30/04		Delivery of building materials and Fire truck to Roruma. 11pax 41T	RFMF
BNT	1	26/04-27/04		Take honorable Minister of Fisheries and Assistant Minister Rural Development to Dagai with one portable sawmill to be dropped off at Dagai village 8pax 9.6T	Fisheries
Vunilagi	14	27/04-		Delivery of emergency food rations to Yasawa, Malolo and Vatulele	CWD
BNT	2	30/04-		Delivery of H beams to Dautukituki at Beqa	GSS

MAY

Vessel	Voy No.	Date	Days	Destination	Department
BNT	3	03-04/05/18	1	Beqa to deliver the food rations and H-beams for Dautukituki	GSS
BNT	4	13-18/05/18	5	Kadavu to deploy FADs and Hon.Ministers maritime Island visits	Fisheries
Iloilovatu	15	08-13/05/18	5	Rotuma to transport the Government officials for Rotuma day celebrations	CED
Sigavou	12	27-31/05/18	4	Cicia to deliver the Fisheries ice plant projects materials. The vessel was hired by MENON Construction.	Fisheries
Sigavou	13	24-27/05/18	3	Moala to deliver the Ministry of Fisheries ice plant project materials	Fisheries
Sigavou	14	14-	5	Moala to deliver the vehicles and equipments to set up for	CED

		19/05/18		Moala Roadshow	
Sigavou	15	08-13/05/18	5	RFMF to deliver the Rotuma Hospital building materials	RFMF
Vunilagi	14	26/05-01/06/18	5	To facilitate the Northern Vanua Levu franchise	TPU
Cagivou	11	14-18/05/18	4	The FEO to conduct awareness to the remaining Islands in the lau group	FEO
Cagivou	12	06-11/05/18	5	The hon. Minister for health rural visitation in the Northern Zone	MOH
Cagivou	13	20-25/05/18	5	The Hon. Ministers trip rural visitation in the Lomaiviti group	MOH

JUNE

Vessel	Voy No.	Date	Days	Destination	Department
BNT	5	26/06-02/07/18	6	Rural visitation in the Lomaiviti group	CED
BNT	6	03-23/06/18	20	Immunization trip for children in the Lomaiviti	MOH
Iloilovatu	15	17/06-23/07/18	36	To conduct career expo in Rotuma	FNU
Iloilovatu	16	13-16/06/18	3	To conduct project monitoring in Ono-i-lau	Ministry of Fisheries
Cagivou	14	10-22/06/18	12	To conduct the 2 nd Island court sitting in the lau and Lomaiviti group.	Judicial
Sigavou	16	26/06-02/07/18	6	To transport the MOIT machines to Vanua Balavu	CED
Sigavou	17	15-22/06/18	7	To deliver the Carpentry materials to Moala, Lakeba and Vanua Balavu	CED
Sigavou	18	07-14/06/18	7	To deliver the Rotuma Hospital building materials	RFMF

JULY

Vessel	Voy No.	Date	Days	Destination	Department
Sigavou	19	19-21/09/18	3	Kade Village School building materials- Koro	OPM
Sigavou	20	21-26/07/18	6	PMO - Rotuma; to transport the Rotuma government aid	OPM
Sigavou	21	28-29/07/18	2	MOIT – emergency trip to deliver generator to Nabouwalu	MOIT
Iloilovatu	17	01–07/07/18	7	BNY Lomaiviti.	CED
Vunilagi	17	15-20/07/18	6	Yasawa franchise	CED
Vunilagi	18	21-27/07/18	7	Northern Vanua Levu franchise	TPU
Vunilagi	19	09 - 15/07/18	7	Emergency water cartage	CED
BNT	7	18-29/07/18	12	conduct non-government service	UNDP
Vatulawa	13	24-30/07/18	7	Yacata Secondary School – building materials	OPM

MAINTENANCE

The Engineering Section with 2 senior positions (Senior Marine Officer – Engineering & Technician are responsible for all maintenance programs) and unfortunately, the position have been not been filled after the position incumbent retired.

The maintenance team continuously ensures that the department provides and safe, effective and efficient service delivery to the stakeholders and general travelling public, operation of the fleet section, the vessel maintenance plays a vital role in enabling that the vessels are properly maintained for continuity of service delivery. The consistency of vessel service deliveries depends entirely on the maintenance of the related machineries, equipment's and structures.

Most of the work are mainly done by our vessel engineers with the guidance of the shore based fitters and electricians but the complex repair work are outsourced.

6.1 UNDER WATER WORK

Fiji Ships and Heavy Industry are now responsible for the underwater works mainly due to their policy of carrying out all repair work whilst vessel is on slipway. This includes the checking of all underwater gears such as the tail shaft, propeller, valves and hull structures.

6.2 REFRIGERATION AND AIR-CONDITION

The Department does not have the expertise to carry out the required work and all related repair work are outsourced to the reputable companies with Lincoln Refrigeration Ltd being contracted for servicing, repair and replacing all split type air condition units. Deteriorating air- con units are prevalent due to the conditions under which they are mounted and also the effects of the weather to the structures of the unit.

The Refrigeration and Air Condition unit have two posts that needed to be filled which needs to be thoroughly considered in relation to the cost and the time frame for vessel maintenance and preparation.

6.3 ELECTRICAL

All electrical defects are carried out by our electricians and the more complex work are outsourced to companies where we do not have the expertise and equipment's to fully rectify the problem.

6.4 MECHANICAL

This section looks after all mechanical repair work as the machineries are the internal organs of a vessel. Planned Maintenance Schedules are relatively necessary for reliable machinery operation.

Most vessels underwent maintenance such as engine tune-up, cleaning of cooling systems, servicing of injectors, pumps, winches and engine attachments and the unavailability of parts have an impact on the completion time of maintenance.

AIDS TO NAVIGATION

SERVICE/MAINTENANCE

West Reef South East End	Scope of Work – Maintenance
West reef South East end light was extinguished due to defective lantern	<input checked="" type="checkbox"/> Install new lantern <input checked="" type="checkbox"/> Test light after completing installation <input checked="" type="checkbox"/> Observe light at dusk
Naqelelevu	Scope of Work - Service
Naqelelevu light was extinguished due to defective timer setting	<input checked="" type="checkbox"/> Reset setting <input checked="" type="checkbox"/> Test light after completing <input checked="" type="checkbox"/> Observe at dusk
Walu Bay Lead (Rear and Front)	Scope of Work - Maintenance
Walu Bay leads paint were fading and needs painting Rear lead reported extinguished Front lead controller defective	<input checked="" type="checkbox"/> Install new light on the rear lead <input checked="" type="checkbox"/> Change controller of the front lead <input checked="" type="checkbox"/> Test light after completing installation <input checked="" type="checkbox"/> Observe light at dusk <input checked="" type="checkbox"/> Apply white primer, first, second and third coat fluorescent orange paint to both leads
Draunibota Bay Entrance light	Scope of Work - Maintenance

The light was not clear	<input checked="" type="checkbox"/> Clear and clean birds dropping accumulating on equipment <input checked="" type="checkbox"/> Test light after completing installation <input checked="" type="checkbox"/> Cleaning of lighthouse <input checked="" type="checkbox"/> Application of red paint
Mua I Walu lighthouse	Scope of Work - Maintenance
To clean light and lighthouse (Routine check and service)	<input checked="" type="checkbox"/> Clear and clean birds dropping accumulating on equipment <input checked="" type="checkbox"/> Test light after completing installation <input checked="" type="checkbox"/> Cleaning of lighthouse <input checked="" type="checkbox"/> Application of red paint
North East End lighthouse	Scope of Work - Maintenance
To clean light and lighthouse (Routine check and service)	<input checked="" type="checkbox"/> Clear and clean birds dropping accumulating on equipment <input checked="" type="checkbox"/> Test light after completing installation <input checked="" type="checkbox"/> Cleaning of lighthouse <input checked="" type="checkbox"/> Application of red paint
Vio Lighthouse	Scope of Work – Maintenance
To clean light and lighthouse (Routine check and service)	<input checked="" type="checkbox"/> Clear and clean birds dropping accumulating on equipment <input checked="" type="checkbox"/> Test light after completing installation <input checked="" type="checkbox"/> Cleaning of lighthouse <input checked="" type="checkbox"/> Paint lighthouse
Bekana Lighthouse	Scope of Work – Maintenance
To clean light and lighthouse (Routine check and service)	<input checked="" type="checkbox"/> Clear and clean birds dropping accumulating on equipment <input checked="" type="checkbox"/> Test light after completing installation <input checked="" type="checkbox"/> Cleaning of lighthouse <input checked="" type="checkbox"/> Paint lighthouse
Vomo Lighthouse (Red & Green)	Scope of Work – Maintenance
To clean light and lighthouse (Routine check and service)	<input checked="" type="checkbox"/> Clear and clean birds dropping accumulating on equipment <input checked="" type="checkbox"/> Service light system <input checked="" type="checkbox"/> Test light after completing installation <input checked="" type="checkbox"/> Cleaning of lighthouse
Viwa Lighthouse	Scope of Work – Maintenance
To clean light and lighthouse (Routine check and service)	<input checked="" type="checkbox"/> Clear pathway <input checked="" type="checkbox"/> Replace damaged structures <input checked="" type="checkbox"/> Fitted new LED light <input checked="" type="checkbox"/> Test light after completing installation
Kia Lighthouse	Scope of Work – Maintenance
To clean light and lighthouse (Routine check and service)	<input checked="" type="checkbox"/> Clear pathway <input checked="" type="checkbox"/> Replace and fabricate damaged structures <input checked="" type="checkbox"/> Replace new LED light and battery <input checked="" type="checkbox"/> Observe at dusk
Udu Point	Scope of Work – Maintenance
To clean light and lighthouse (Routine check and service)	<input checked="" type="checkbox"/> Clear pathway <input checked="" type="checkbox"/> Replace new Solar panel, LED light and battery <input checked="" type="checkbox"/> Cleaning of lighthouse <input checked="" type="checkbox"/> Paint lighthouse

Naqelevu Lighthouse	Scope of Work – Maintenance
To clean light and lighthouse (Routine check and service)	<input checked="" type="checkbox"/> Clear pathway <input checked="" type="checkbox"/> Replace new Solar panel, LED light and battery <input checked="" type="checkbox"/> Cleaning of lighthouse <input checked="" type="checkbox"/> Paint lighthouse <input checked="" type="checkbox"/> Observe at dusk
Vuna Lighthouse	Scope of Work – Maintenance
To clean light and lighthouse (Routine check and service)	<input checked="" type="checkbox"/> Clear pathway <input checked="" type="checkbox"/> Paint lighthouse <input checked="" type="checkbox"/> Observe at dusk
Nukutolu Lighthouse	Scope of Work – Maintenance
To clean light and lighthouse (Routine check and service)	<input checked="" type="checkbox"/> Clear pathway <input checked="" type="checkbox"/> Remove upper base and transfer to vessel <input checked="" type="checkbox"/> Repair damage structures <input checked="" type="checkbox"/> Replace new LED light <input checked="" type="checkbox"/> Re-install upper base and observe light at dusk
Vatoa Lighthouse	Scope of Work – Maintenance
Dismantling entire lighthouse for the new lighthouse	<input checked="" type="checkbox"/> Clear pathway <input checked="" type="checkbox"/> Remove entire lighthouse structure - unsafe for any service work
Yaciwa Lighthouse	Scope of Work – Maintenance
To clean light and lighthouse (Routine check and service)	<input checked="" type="checkbox"/> Clear pathway <input checked="" type="checkbox"/> Replace new light, battery and controller <input checked="" type="checkbox"/> Cleaning of lighthouse <input checked="" type="checkbox"/> Paint lighthouse <input checked="" type="checkbox"/> Observe at dusk

Ministry &/ or Team/ Work Unit Performance Story Summary as at 31st July, 2018_for the period 2017 – 2018

Work Unit Name/ Description OPEX – Leadership (98%)

Work Unit Name/ Description APEX – Leadership (98.375%)

Average 98.19%

7.2 CONCLUSION

The provision of maritime services and navigational aids is vital to our economy and is a major contributing factor to growth and stability whilst ensuring safe passage for maritime users. It ensures sustainability in the livelihood of villagers in remote outer islands and stimulates social activities, economic growth and improvement in their overall standard of living.

As part of GSS's core function, it provides safe and efficient shipping services to government and the general travelling public hence contributing to government's vision of a more self-reliant population.

The regular visits of our vessels to the various ports, jetties and wharves in the outer-islands have witnessed a tremendous growth in villagers maximizing utilization of natural resources through trade with vendors on our two major islands.

The department will continue to expand its services and is intent in leading and providing a cost-effective, safe, efficient and effective shipping service to government and the public in general.

GSS will continue to improve its provision shipping service and Aids to Navigation to mariners ensuring safe sailing and compliance of local and overseas maritime legislation.

AUDITED FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 JULY 2018





**MINISTRY OF INFRASTRUCTURE, TRANSPORT,
DISASTER MANAGEMENT & METEOROLOGICAL SERVICES**

Nasilivata House
87, Ratu Mara Road, Samabala
Private Mail Bag, Suva, Fiji

Telephone: (679) 338 4111
Facsimile: (679) 338 3198
Website: www.molt.gov.fj



Ministry of Infrastructure, Transport,
Disaster Management & Meteorological
Services

25/10/19

The Auditor General
Office of Auditor Generals Officer of Fiji
Sukuna House
Suva

Dear Mr Prasad

AUDITED ACCOUNTS MINISTRY OF DOCUMENTARY EVIDENCE – DRAFT AFS 2017/2018

Reference is made to your memorandum of the above subject file ref 592 dated 05th September 2019.

The Ministry had provided the documentary evidence to the issues highlighted in the AFS as per below:

- The Ministry was unable to provide appropriate supporting documents to substantiate TMA Sales totaling \$494,551 for the Consolidated TMA Profit & Loss Statement.
- Included in the Energy Trust Account total receipts of \$352,753 are receipts totaling \$178,882 which was not supported with detailed listing of journal vouchers with appropriate detail listings.
- Reference is made to the statement of losses where the Ministry has disclosed loss of \$25 734.

However documentary evidence in relation to issue 1 since the Case is still before the court.

Submitted for necessary information.

Yours sincerely


T VAKADRAYUYACA

Permanent Secretary

Infrastructure, Transport, Disaster Management & Meteorological Services

MINISTRY OF INFRASTRUCTURE AND TRANSPORT

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 JULY 2018

MINISTRY OF INFRASTRUCTURE AND TRANSPORT
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2018

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DRAFT INDEPENDENT AUDITOR'S REPORT

MINISTRY OF INFRASTRUCTURE AND TRANSPORT
MANAGEMENT CERTIFICATE
FOR THE YEAR ENDED 31 JULY 2018

We certify that these financial statements:

- (a) fairly reflect the financial operations and performance of the Ministry of Infrastructure and Transport and its financial position for the year ended 31 July 2018; and
- (b) have been prepared in accordance with the requirements of the Financial Management Act, Finance Instructions 2010 and Finance (Amendment) Instructions 2016.



Taitusi Vakavuvuyaca
Permanent Secretary

Date: 25/10/17



Kavneel Prasad
Principal Accounts Officer

Date: 23/10/19

MINISTRY OF INFRASTRUCTURE AND TRANSPORT
STATEMENT OF RECEIPTS AND EXPENDITURE - HEAD 40
FOR THE YEAR ENDED 31 JULY 2018

	Notes	31 July 2018 (\$)	31 July 2017 (\$)
REVENUE			
Agency Revenue			
Miscellaneous Revenue	3(a)	322,858	674,468
Revenue from carriage of Freight	3(b)	1,940,016	595,090
Commission	3(c)	16,986	14,486
Reimbursement of Meteorological Services	3(d)	-	540,886
Registration	3(e)	1,400	1,700
Total Agency Revenue		2,281,260	1,826,630
TOTAL REVENUE		2,281,260	1,826,630
EXPENDITURE			
Operating Expenditure			
Established Staff	3(f)	9,122,049	11,067,138
Government Wage Earners	3(g)	6,784,084	7,960,735
Travel and Communications	3(h)	1,059,143	1,214,607
Maintenance & Operations	3(i)	8,334,227	8,465,911
Purchase of Goods and Services	3(j)	1,805,475	1,841,989
Operating Grants and Transfers	3(k)	27,438,887	25,689,201
Special Expenditures	3(l)	800,083	1,778,797
Total Operating Expenditure		55,343,948	58,017,936
Capital Expenditure			
Construction	3(m)	13,376,417	9,518,437
Purchases	3(n)	7,970,043	3,357,495
Grants and Transfers	3(o)	36,087,706	19,318,931
Total Capital Expenditure		57,434,166	32,194,863
Value Added Tax	3(p)	2,855,362	2,232,389
TOTAL EXPENDITURE		115,633,476	92,445,187

MINISTRY OF INFRASTRUCTURE AND TRANSPORT
 STATEMENT OF RECEIPTS AND EXPENDITURE - HEAD 41
 FOR THE YEAR ENDED 31 JULY 2018

HEAD 41 WATER AUTHORITY OF FIJI

	31 July 2018 (\$)	31 July 2017 (\$)
EXPENDITURE		
Operating Expenditure		
Operating Grants and Transfers	<u>89,577,328</u>	<u>85,479,517</u>
Total Operating Expenditure	<u>89,577,328</u>	<u>85,479,517</u>
Capital Expenditure		
Grants and Transfers	<u>166,226,240</u>	<u>195,428,577</u>
Total Capital Expenditure	<u>166,226,240</u>	<u>195,428,577</u>
TOTAL EXPENDITURE	<u>255,803,568</u>	<u>280,908,094</u>

MINISTRY OF INFRASTRUCTURE AND TRANSPORT
 STATEMENT OF RECEIPTS AND EXPENDITURE - HEAD 43
 FOR THE YEAR ENDED 31 JULY 2018

HEAD 43 FIJI ROADS AUTHORITY

	31 July 2018 (\$)	31 July 2017 (\$)
EXPENDITURE		
Operating Expenditure		
Operating Grants and Transfers	<u>26,772,477</u>	<u>16,577,856</u>
Total Operating Expenditure	<u>26,772,477</u>	<u>16,577,856</u>
Capital Expenditure		
Grants and Transfers	<u>355,942,292</u>	<u>256,749,778</u>
Total Capital Expenditure	<u>355,942,292</u>	<u>256,749,778</u>
TOTAL EXPENDITURE	<u>382,714,769</u>	<u>273,327,634</u>

MINISTRY OF INFRASTRUCTURE AND TRANSPORT
 APPROPRIATION STATEMENT - HEAD 40
 FOR THE YEAR ENDED 31 JULY 2018

SEG	Item	Budget Estimate	Appropriation Changes	Revised Estimate	Actual Expenditure	Lapsed Appropriation
		(\$)	(\$)	(\$)	(\$)	(\$)
	Operating Expenditure			(a)	(b)	(a)-(b)
1	Established Staff	13,836,774	(1,183,530)	12,653,244	9,132,173	3,521,071
2	Government Wage Earner	8,606,383	(486,523)	8,119,860	6,784,084	1,335,776
3	Travel and Communications	896,332	499,490	1,395,822	1,059,143	336,679
4	Maintenance & Operations	8,668,991	444,483	9,113,474	8,334,227	779,247
5	Purchase of Goods & Services	2,069,243	329,270	2,398,513	1,805,475	593,038
6	Operating Grants & Transfers	26,582,104	1,930,000	28,512,104	27,438,887	1,073,217
7	Special Expenditures	1,070,408	141,754	1,212,162	800,083	412,080
	Total Operating Expenditure	61,730,235	1,674,944	63,405,179	55,343,948	8,061,230
	Capital Expenditure					
8	Construction	14,811,437	95,837	14,907,274	13,376,417	1,530,856
9	Purchases	9,080,706	200,000	9,280,706	7,970,043	1,310,663
10	Grants & Transfers	45,288,674	(1,978,895)	43,309,779	36,087,706	7,222,073
	Total Capital Expenditure	69,180,817	(1,683,058)	67,497,759	57,434,166	10,063,593
13	Value Added Tax	3,266,835	8,114	3,274,949	2,855,362	419,587
	TOTAL EXPENDITURE	134,177,887	-	134,177,887	115,633,476	18,544,411

MINISTRY OF INFRASTRUCTURE AND TRANSPORT - WATER AUTHORITY OF FIJI
 APPROPRIATION STATEMENT - HEAD 41
 FOR THE YEAR ENDED 31 JULY 2018

SEG	Item	Budget Estimate	Appropriation Changes	Revised Estimate	Actual Expenditure	Lapsed Appropriation
		(\$)	(\$)	(\$)	(\$)	(\$)
	Operating Expenditure					
6	Operating Grants & Transfers	89,577,328	-	89,577,328	89,577,328	-
	Total Operating Expenditure	89,577,328	-	89,577,328	89,577,328	-
	Capital Expenditure					
10	Grants & Transfers	217,365,325	(16,177,888)	201,187,437	166,226,240	34,961,197
	Total Capital Expenditure	217,365,325	(16,177,888)	201,187,437	166,226,240	34,961,197
	TOTAL EXPENDITURE	306,942,653	(16,177,888)	290,764,765	255,803,568	34,961,197

Details of Appropriation Changes

The Cabinet on 18/5/18 approved redeployment of \$16,177,888 from Capital Grant to fund different programmes under the CARE for Fiji Initiatives.

MINISTRY OF INFRASTRUCTURE AND TRANSPORT - FIJI ROADS AUTHORITY
 APPROPRIATION STATEMENT - HEAD 43
 FOR THE YEAR ENDED 31 JULY 2018

SEG	Item	Budget Estimate (\$)	Appropriation Changes (Note 4(b)) (\$)	Revised Estimate (\$)	Actual Expenditure (\$)	Lapsed Appropriation (\$)
	Operating Expenditure					
6	Operating Grants & Transfers	26,772,477	0	26,772,477	26,772,477	0
	Total Operating Expenditure	26,772,477	0	26,772,477	26,772,477	0
	Capital Expenditure					
10	Grants & Transfers	500,776,159	(50,000,000)	450,776,159	355,942,292	94,833,867
	Total Capital Expenditure	500,776,159	(50,000,000)	450,776,159	355,942,292	94,833,867
	TOTAL EXPENDITURE	527,548,636	(50,000,000)	477,548,636	382,714,769	94,833,867

Details of Appropriation Changes

The Cabinet on 4/5/18 approved the redeployment of \$50,000,000 (VIP) from Capital Grant to fund different programmes under the CARE for Fiji Initiatives which includes Homes-CARE, Farms-CARE, Sugarcane-CARE, Leaseholders-CARE, Welfare-CARE and eTransport-CARE. FRA had also agreed to defer \$50,000,000 of cash from its 2017-2018 budget to 2018-2019 budget.

Budget Allocation	FMIS Allocation	Project Name	Amount (\$)
50-1-1-10 (14)	1-50101-50999-100202	On-going Contingency funds for Disaster Risk	50,000,000

MINISTRY OF INFRASTRUCTURE AND TRANSPORT
DEPARTMENT OF ENERGY TRUST ACCOUNT STATEMENT OF RECEIPTS AND
PAYMENTS FOR YEAR ENDED 31 JULY 2018

	Notes (4)	31 July 2018 (\$)	31 July 2017 (\$)
Opening Balance at 1 January		2,232,312	2,351,316
RECEIPTS			
FEA Grid & House wiring		23,691	-
Bond Payment		130,464	
Solar Home Payments		195,982	75,959
Biogas		-	-
Biofuel		-	-
Hydro		2,217	-
Bank Interest		29,426	2,316
Total Receipts		<u>352,353</u>	<u>78,275</u>
PAYMENTS			
Bond Payment		28,462	75,435
Solar Home Payments		804	
Refund of Performance Bond		110,130	121,438
Bank Fees		74	406
Total Payments		<u>139,470</u>	<u>197,279</u>
NET SURPLUS/(DEFICIT)		<u>212,883</u>	<u>(119,004)</u>
Closing Balance as at 31st July 2018		<u>\$2,445,195</u>	<u>\$2,232,312</u>

**MINISTRY OF INFRASTRUCTURE AND TRANSPORT
STATEMENT OF LOSSES
FOR THE YEAR ENDED 31 JULY 2018**

Item	2018
Loss of Money	461
Loss of Revenue	9,387
Loss of Assets/Stores	15,886
Total	25,734

The above losses were recommended for write off to Ministry of Economy upon completion of the Board of Survey. The Ministry still awaiting the Ministry of Economy approval for the above to be written off from the Ministry's record.

MINISTRY OF INFRASTRUCTURE AND TRANSPORT
 CONSOLIDATED MANUFACTURING ACCOUNT
 FOR THE YEAR ENDED 31 JULY 2018

	Notes	31 July 2018 (\$)	31 July 2017 (\$)
Opening Raw Materials		235,128	294,851
<i>Add:</i> Purchases		1,886,694	1,741,014
		<u>2,121,822</u>	<u>2,035,865</u>
<i>Less:</i> Closing Raw Materials		245,999	235,128
Raw Materials Used		1,875,823	1,800,737
<i>Add:</i> Direct Labour	5(a)	4,001,453	4,392,384
Opening Work in Progress		22,336	37,027
<i>Less:</i> Closing Work in Progress		2,955	22,336
Cost of Goods Manufactured transferred to Trading Account	5(b)	<u>5,896,657</u>	<u>6,207,812</u>

MINISTRY OF INFRASTRUCTURE AND TRANSPORT
 CONSOLIDATED TMA TRADING ACCOUNT
 FOR THE YEAR ENDED 31 JULY 2018

	Notes	31 July 2018 (\$)	31 July 2017 (\$)
Sales	5(c)	7,381,645	9,127,580
Opening Finished Goods		180,363	206,315
<i>Add:</i> Cost of Manufactured Goods		<u>5,896,657</u>	<u>6,207,812</u>
Goods available for Sale		6,077,020	6,414,127
<i>Less:</i> Closing Finished Goods		<u>153,413</u>	<u>180,363</u>
Cost of Finished Goods Sold	5(d)	5,923,607	6,233,764
Gross Profit Transferred to P&L A/C	5(e)	<u>1,458,038</u>	<u>2,893,816</u>

MINISTRY OF INFRASTRUCTURE AND TRANSPORT
 CONSOLIDATED TMA PROFIT AND LOSS STATEMENT
 FOR THE YEAR ENDED 31 JULY 2018

		31 July 2018 (\$)	31 July 2017 (\$)
Income	Notes		
Gross Profit transferred from Trading Account		1,458,038	2,893,816
Other Income		3,135	1,364
Total Income		<u>1,461,173</u>	<u>2,895,180</u>
Expenses			
Travel and Communication		137,411	175,510
Maintenance and Operation		1,577,010	2,660,609
Purchase of Goods and Service		17,206	36,707
Special Expenses		1,907	9,021
Total Expenses	5(f)	<u>1,733,534</u>	<u>2,881,847</u>
Net (Loss)/Profit	5(g)	<u>(272,361)</u>	<u>13,333</u>

MINISTRY OF INFRASTRUCTURE AND TRANSPORT
 CONSOLIDATED TMA BALANCE SHEET
 AS AT 31 JULY 2018

		31 July 2018	31 July 2017
	Notes	(\$)	(\$)
Assets			
TMA Dominion Cash – Suva	5(h)	3,303,882	3,154,993
Accounts Receivables	5(i)	162,338	644,415
Inventory	5(j)	402,368	437,827
Total Assets		<u>3,868,588</u>	<u>4,237,235</u>
Liabilities			
Deposits and Deductions	5(k)	175,261	226,314
Unearned Revenue	5(l)	451,071	471,303
Total Liabilities		<u>626,332</u>	<u>697,617</u>
Net Assets		<u>3,242,257</u>	<u>3,539,618</u>
Equity			
TMA Accumulated Losses	5(m)	(784,897)	(798,230)
Net (Loss)/Profit	5(n)	(272,361)	13,333
TMA Surplus Transferred to CFA	5(o)	4,299,515	4,324,515
Total Equity		<u>3,242,257</u>	<u>3,539,618</u>

**MINISTRY OF INFRASTRUCTURE AND TRANSPORT
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2018**

NOTE 1: REPORTING ENTITY

The Ministry has authority for the Departments of Transport, Public Works, Energy, Water and Sewerage, and Government Shipping Services. It also oversees the Land Transport Authority, the Maritime Safety Authority of Fiji, the Water Authority of Fiji and the Fiji Roads Authority.

The Ministry, through the Department of Transport, provides the regulatory framework for the implementation of an efficient and affordable land and maritime transport systems. The transport sector is one of the principal drivers of economic growth as it provides the mobility and infrastructure that link people with jobs and goods with markets.

Government Shipping Services provides Government with a specialised fleet of six vessels that allow it to transport Government officials as well as machinery, building supplies, rural-development materials, livestock and any other cargo needed for development projects.

The Department of Works is the only engineering arm of Government, and is responsible for planning, designing, building, operating, maintaining and upgrading Government buildings, quarters, and electrical services, and for providing electricity in five rural government stations.

The Department of Energy will focus on policy directions which include the provision of electricity services to remote and rural areas; research and development of renewable energy sources such as geothermal, wind, hydro, biofuel and biomass; research into alternative fuels for the transport and industrial sectors and for land transport.

The Department of Water and Sewerage is responsible for the development of the water supply and sanitation sector policies to ensure the provision of safe, clean drinking water and efficient sanitation services to all communities.

NOTE 2: STATEMENT OF ACCOUNTING POLICIES

(a) Basis of Accounting

In accordance with Government accounting policies, the special purpose financial statements of the Ministry of Infrastructure and Transport is prepared on cash basis of accounting. All payments related to purchases of fixed assets have been expensed.

The financial statements are presented in accordance with the Financial Management Act, the requirements of Section 71(1) of the Finance Instructions 2010 and Finance Management (Amendment) Act 2016. The preparation and presentation of a Statement of Assets and Liabilities is not required under the current Government accounting policies, except for that of the Trading and Manufacturing Accounts.

**MINISTRY OF INFRASTRUCTURE AND TRANSPORT
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS (CONT'D)
FOR THE YEAR ENDED 31 JULY 2018**

(b) Accounting for Value Added Tax (VAT)

All income is inclusive of VAT while all expenses are VAT exclusive. The Ministry on a monthly basis takes out VAT Output on total money received for expenditure from Ministry of Economy. VAT Input on the other hand is claimed on payments made to the suppliers and sub-contractors for expenses incurred.

The VAT payment as per the Statement of Receipts and Expenditures relates to the VAT input claimed on payments made to the suppliers and sub-contractors for expenses incurred. Actual amount paid to FRCS during the year represent the difference between VAT Output and VAT Input.

(c) Comparative Figures

Where necessary, amounts relating to prior years have been reclassified to facilitate comparison and achieve consistency in disclosure with current year amounts.

(d) Revenue Recognition

Revenue is recognised when actual cash are received by the Ministry.

NOTE 3: SIGNIFICANT VARIATIONS

- (a) The Miscellaneous Revenue collected decreased from \$674,469 to \$322,858 as at July 2018. This is due to the reduction in collection of Rural Government Stations bills.
- (b) The Revenue from Carriage of Freight increased from \$595,090 to \$1,940,015 as at July 2018. This is due to the Population and Home Census logistics services rendered to the Bureau of Statistics for hire of vessel.
- (c) The Commission Revenue increased from \$14,486 to \$16,986 as at July 2018. This is due to increase in borrowings by the public officers and effective collection of deductions by the government on behalf of financial institutions.
- (d) The revenue from reimbursement of Meteorological Services is nil as at July 2018. This is due to the transfer of Fiji Meteorological Services to Ministry of National Disaster and Meteorological Services.
- (e) The registration revenue decreased from \$1,700 to \$1,400 due to the change in the number of members paying their registration fees.
- (f) The Established Staff costs decreased from \$11,067,138 to \$9,132,173 as at 31st July 2018. This is due to increase in the number of vacant posts in the Ministry.

MINISTRY OF INFRASTRUCTURE AND TRANSPORT
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS (CONT'D)
FOR THE YEAR ENDED 31 JULY 2018

NOTE 3: SIGNIFICANT VARIATIONS Cont'd

- (g) The Government Wage earners costs decreased from \$7,960,735 to \$6,784,084 as at 31st July 2018. This was mainly due to vacant posts during the year.
- (h) The Travel and Communications decreased from \$1,214,607 to \$1,059,143 as at 31st July 2018. This was mainly due to numerous vacant positions which leads to reduction in related costs in travel and communication.
- (i) The Maintenance and Operations costs decreased from \$8,435,911 to \$8,371,216 as at 31st July 2018. This was mainly due to decrease in cost of maintenance on the existing Department's fleets, vessels, , energy development projects, desalination plants and procurement of building accessories, stationery and printing, fuel and oil, fire and sewerage services and payment for power supply to Fiji Electricity Authority.
- (j) The Purchase of Goods and Services decreased from \$1,841, 989 to \$1,784,486 as at 31st July 2018. This was mainly due to decline in cost of training expenses for public officers, procurement of food rations and uniforms for crew members travelling on government vessels, operational cost for upper air logistics, procurement of books, periodicals and stationaries, payment for plant hire charges, procurement of occupational and safety equipment's, advertisement cost for public outreach programme on energy efficiency and conservation awareness and quality control enforcement expenses for effective operations.
- (k) The Operating Grants and Transfers increased from \$25,689,201 to \$27,438,201 as at 31st July 2018. This was mainly due to increase in operating grants for Land Transport Authority.
- (l) The Special Expenditure decreased from \$1,778,797 to \$789,960 as at 31st July 2018. This was mainly due to low implementation of expenditure in 2018.
- (m) The Capital Construction expenditure increased from \$9,518,437 to \$13,360,417 as at 31st July 2018. This was due to increase in the utilisation of capital construction projects funds. The capital construction expenditure includes payments for Upgrade of Government Shipping vessels, Completion of Government Wharf Upgrade, Completion of Retaining Wall , Repair and upgrade of public buildings, Routine & Special Upgrade of Public Buildings , Upgrade of Water Supply and Sewer Line, Electrification of Rural Government Stations, Renewable Energy Development Programme, Energy Conservation Implementation, Energy Conservation Assessment, Bio Diesel Implementation , Bio Gas Development in Rural Areas, Grid Extension Projects.
- (n) The Capital Purchase expenditure increased from \$3,375,495 to \$7,700,043 as at 31st July 2018. This was due to the purchase of Multi-Purpose Vessel.

MINISTRY OF INFRASTRUCTURE AND TRANSPORT
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS (CONT'D)
FOR THE YEAR ENDED 31 JULY 2018

NOTE 3: SIGNIFICANT VARIATIONS Cont'd

- (o) The Capital Grants and Transfers increased from \$19,318,931 to \$36,087,706 as at July 2018. This is due increase in capital grants allocation and utilisation for rural electrification projects.
- (p) VAT expenditure increased from \$2,232,389 to \$2,855,362 as at 31st July 2018. This was due to increase in the related expenses.

NOTE 4: TRUST FUND ACCOUNT

The Ministry's Department of Energy Trust Fund Account is guided by the Rural Electrification Policy (REP) 2016 approved by the Minister for Infrastructure and Transport.

In 2008, this Policy was amended whereby the community contribution for all rural electricity schemes was reduced from 10 per cent to 5 per cent. The policy was silent with respect to changing supply between diesel and solar schemes or incorporating either system to one another to improve overall reliability of supply for example in the cases of hybrid systems.

The revised REP of 2016 constitutes a number of important changes that harmonizes with the Green Growth development model pursued by the nation in line with the vision of the UN framework of "Energy for All"; that electricity is now a basic necessity for life and sustainable development. These vital changes include:

- Waiver of community contribution to reciprocate community contribution in kind;
- Removal of finite assistance for diesel schemes recipients making them eligible for electrification via renewable based technologies like solar home systems;
- Increase in the Fiji Electricity Authority's annual Rural Electrification Fund;
- Increase in validity of FEA Rural Electrification scheme quotations; and
- The handover of Solar Home Systems ownership and maintenance to community's and recipients.

The trust fund is used to deposit the receipts from the Rural Electrification Customers from the following operational activities:

- Solar Home Systems (SHS)
- FEA House Wiring
- Performance Bond for House wiring, supply of materials for 3200 SHS
- Bio Gas

MINISTRY OF INFRASTRUCTURE AND TRANSPORT
 NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS (CONT'D)
 FOR THE YEAR ENDED 31 JULY 2018

NOTE 5: TRADING AND MANUFACTURING ACCOUNT

TMA (Trading and Manufacturing Account) is established under the Revolving Fund Account for the purpose of trading or production of goods and services for sale to other departments, statutory bodies or individuals. Trading involves the buying and selling of goods. Manufacturing involves the conversion of one type of good or material to another through the application of labour and facilities.

Since government is a non-profit organization, the immediate objective is to serve the requirements of ministries and departments and statutory bodies and at least at recouping costs. Profitability is secondary objective to the extent that it will justify or increasing or broadening government services to meet the demands of users.

The Ministry after discussion with the Asset Monitoring Unit at the Ministry of Economy changed the TMA presentation to a consolidated report format with Divisional reports as breakdown. There was a need to change the format as it is not prudent to prepare a statement of Assets and Liabilities for each of the 17 TMA activities as there are only four actual bank accounts for the 17 activities. The three divisions are Divisional Engineer Central Eastern (DECE), Divisional Engineer Northern (DEN), and Divisional Engineer Western (DEW). The details of the Consolidated TMA Balances are as follows:

<u>Manufacturing Account</u>	<u>DECE</u>	<u>DEN</u>	<u>DEW</u>	<u>Consolidated</u>
Raw Materials (opening)	102,330	105,584	27,214	235,128
Add Purchases	886,566	698,364	301,764	1,886,694
	988,896	803,948	328,979	2,121,822
Less Raw Materials (closing)	97,319	132,134	16,547	246,000
Raw Materials Used	877,027	671,814	312,432	1,875,822
<u>Add Work in Progress (opening)</u>	21,561	775	-	22,336
Direct Labour	2,358,266	742,094	901,093	4,001,453
<u>Less Work in Progress (closing)</u>	-	-	2,955	2,955
Cost of Manufactured Goods	3,256,854	1,414,683	1,216,480	5,896,657

MINISTRY OF INFRASTRUCTURE AND TRANSPORT
 NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS (CONT'D)
 FOR THE YEAR ENDED 31 JULY 2018

NOTE 5: TRADING AND MANUFACTURING ACCOUNT (CONT'D)

Trading Account

	<u>DECE</u>	<u>DEN</u>	<u>DEW</u>	<u>Consolidated</u>
Sales	3,745,973	1,853,370	1,782,302	7,381,645
Stock of Finished Goods (opening)	88,394	42,036	49,933	180,363
Add: Cost of Manufactured Goods	3,256,855	1,414,683	1,216,480	5,896,657
<u>Less Stock of Finished Goods (closing)</u>	<u>62,765</u>	<u>37,041</u>	<u>53,607</u>	<u>153,413</u>
Cost of Finished Goods Sold	3,282,483	1,419,679	1,206,896	5,923,607
Gross Profit	463,489	433,692	575,406	1,458,038

Profit and Loss Statement

Income

	<u>DECE</u>	<u>DEN</u>	<u>DEW</u>	<u>Consolidated</u>
Gross Profit	463,489	433,692	575,406	1,458,038
Other Income	2,821	314	0	3,135
Total Income	466,310	434,006	575,406	1,475,723
<u>Expenses</u>				
Travel & Communication	116,284	8,902	12,225	137,411
Maintenance & operation	672,888	223,669	680,453	1,577,010
Other Expenses	16,623	583	0	17,206
Special Expenses	654	1,254	0	1,907
Total Expenses	806,449	234,408	692,678	1,733,535
Net Profit/(Loss)	(340,138)	199,599	(117,272)	(275,497)

MINISTRY OF INFRASTRUCTURE AND TRANSPORT
 NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS (CONT'D)
 FOR THE YEAR ENDED 31 JULY 2018

NOTE 5: TRADING AND MANUFACTURING ACCOUNT *Cont'd*

Balance Sheet

	<u>DECE</u>	<u>DEN</u>	<u>DEW</u>	<u>Consolidated</u>
TMA Dominion Cash CNB Suva	2,124,090	972,214	207,578	3,303,882
Accounts Receivable	64,693	10,935	86,709	162,338
Raw Materials	97,319	132,134	16,547	245,999
Work In Progress	0	0	2,955	2,955
Finished Goods	62,765	37,041	53,607	153,413
Total Current Assets	2,348,867	1,152,324	367,397	3,868,587
Total Assets	2,348,867	1,152,324	367,397	3,868,587

Liabilities

Accrued Expenses/Deferred Income	244,117	206,954	0	451,071
Deposits & Deductions	83,027	32,724	59,509	175,260
Total Liabilities	327,144	239,678	59,509	626,331

NET ASSETS	2,021,724	912,646	307,888	3,242,257
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Equity

Accumulated TMA Losses	(2,465,973)	(266,614)	1,650,327	(1,082,259)
TMA Surplus transferred to Consolidated Fund	4,487,696	1,179,259	(1,342,440)	4,324,516
Total Equity	2,021,724	912,646	307,888	3,242,257

- (a) There has been a decrease in direct labour cost from \$4,392,384 to \$4,001,453 due to decrease in the number of jobs received.
- (b) The decrease in cost of manufactured goods is due decrease direct labour cost by 8.9%. This is due to the decrease in the number of jobs received.
- (c) There is a decrease in sales by 19% from 2017 to 2018 due to decrease in the number of jobs received.
- (d) The decrease in cost of finished goods sold by 5% in 2018 as compared to 2017 is largely due to the decrease in cost of manufactured goods and decrease in sales in 2018.
- (e) The decrease in gross profit by 49% is due to the reduction in sales in the financial year 2018.
- (f) There was a decrease in total expenses by \$1,148,312 in 2018 compared to 2017. This is mainly due to decrease in the number of jobs received.

MINISTRY OF INFRASTRUCTURE AND TRANSPORT
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS (CONT'D)
FOR THE YEAR ENDED 31 JULY 2017

NOTE 5: TRADING AND MANUFACTURING ACCOUNT *Cont'd*

- (g) The TMA incurred an overall net loss of \$272,361 in 2018. This was largely due to increase in the purchase of raw materials mainly for Joinery and Plumber shop as compared to 2017.
- (h) The cash at bank comprises of four bank accounts, two bank accounts at DECE and one each at DEW and DEN. The unreconciled variance of \$1,405,134 appearing in the Cash at Bank relates to the previous year's (2006 - 2010) misappropriation that is under Fiji Independent Commission against Corruption (FICAC) investigation and pending court's decision. The Ministry had made a formal submission to the Solicitor General's Office on 13th September 2017 to seek approval for writing-off of these unsubstantiated variances as these losses are deemed irrecoverable. On 22/2/18, the Office of the Solicitor General advised the Ministry that the unsubstantiated variance amount in the TMA is more than \$50,000, the request for write-off must be referred to the Minister for Economy under section 57(c)(3) of the Finance Instructions 2010. On 19/3/18, the Ministry has written to Ministry of Economy for write off of the unsubstantiated variances based on the Solicitor General's opinion. On 4/7/18, Ministry of Economy requested that the Ministry to provide the status of the case from FICAC. The Ministry had a meeting with and written to FICAC on 23/7/18 on the status of the case.
- (i) The Accounts Receivables represents amounts invoiced to customers of Plant Hire, Workshop Wages, Fuel and Oil, Joinery and Plumber Shop TMA's and yet to be received at balance date. The Accounts Receivable has a balance of \$162,338 in 2018 which has reduced by 74% compared to 2017 due to better monitoring of Debtors. The Debtors includes Government Ministries and other departments within the Ministry of Infrastructure and Works.
- (j) The Inventory represents Raw Materials, Work In Progress and Finished Goods for Joinery, Plumber Shop, Fuel and Oil, Lube Bay and Block shed TMA's.
- (k) The Deposit and Deductions represents amounts deducted from the salaries and wages of employee's and payable to other institutions such as rates, housing loans, employees FNPF and VAT on revenue. VAT on revenue has been verified and adjusted by the Ministry as these were unsubstantiated postings prior to the year 2009. The Ministry did not have any records to substantiate these balances. After discussion with the Ministry of Economy, approval of adjustments were made on VAT balances and the Equity Account.
- (l) The Unearned Revenue comprises of revenue received in advance for works received by respective client ministries to be completed in the 2018-2019 accounting period. The client Ministries consist of Office of the Attorney General, Ministry of Health, Fiji Military Force, Fiji Meteorological Department, Commissioner Eastern Division, Government Shipping Services and other Department within the Ministry of Infrastructure and Works. The Consolidated TMA incurred an overall \$451,071 on Deferred Income in 2018. This was due to revenue received in advance on work to be implemented in the next

financial year. As such, transaction of this nature is treated as a liability hence recorded under Deferred Income.

**MINISTRY OF INFRASTRUCTURE AND TRANSPORT
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS (CONT'D)
FOR THE YEAR ENDED 31 JULY 2017**

NOTE 5: TRADING AND MANUFACTURING ACCOUNT *Cont'd*

- (m) The TMA accumulated Losses represents accumulation of profit and losses over the years. The Ministry posted VAT adjustments into this account as these were unsubstantiated postings prior to year 2009.
- (n) The consolidated Net Loss/Profit for 31st July 2018 is accounted for in TMA accumulated surplus.
- (o) The TMA Surplus transferred to Consolidated Fund comprises of the surplus cash ceilings remitted to the Ministry of Economy.

The activities of the TMA are as follows:

Joinery

TMA Joinery receives bulk of its work from the Building Section in the form of Capital Works Projects, Maintenance of public buildings, interior fit-outs and furnishing of these quarters. These buildings are standard designed structures for residential quarters, office accommodation and other institutional buildings. The Joinery also fabricates wall framings, roof trusses, fixtures, manufacturing of all types of furniture and dressed timber of required sizes as per details in the standard design.

Plumber shop

TMA Plumbing receives bulk of its work from the Building Section in the form of Capital Works Projects, Maintenance of public buildings. These buildings are standard designed structures for residential quarters, office accommodation and other institutional buildings. The Plumber shop also fabricates water tanks, ridge caps, Barge flashings, roof trusses, fixtures, manufacturing of all types of flashings to buildings and required sizes as per details in the standard design.

Fuel and Oil

Fuel and Oil is one of the basic core values of operation within the Ministry of Infrastructure and Transport especially the Department of Works in the Central/Eastern. It serves as a backbone, set to a higher standard for effective improvement of our daily operation. It also enhances a better service delivery required as a business entity to display its potential and quality service to its customers. The products which consist of diesel, petrol, brake fluid, premix, SAE 30, TELUS 46 and many more is brought from Total Fiji at a retail price. The major customer is Plant Pool with other Government Departments and Ministries taking a minimum percentages from the overall sales.

MINISTRY OF INFRASTRUCTURE AND TRANSPORT
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS (CONT'D)
FOR THE YEAR ENDED 31 JULY 2017

NOTE 5: TRADING AND MANUFACTURING ACCOUNT *Cont'd*

Lube Bay

The core role of the Lube Bay is to provide lubrication services to the customers to ensure it fulfils customer satisfaction concurrently ensure a healthy income for the Business sustainability. It consists of a wide range of product which are bought at a lesser price and in return sold out to customers at a market price. Lube Bay is open to all government vehicles and at present the major customer is plant pool and few other ministries and departments.

Plant Hire

The main role of this business unit is to provide a reliable and cost-effective means of transportation to customers ensuring that it meets customer expectations in terms of service delivery and in concurrence with the workers fulfilment of attaining a healthy income and proper Fleet Management System. Periodically, the Business's principal earning source is derived from the hiring of all of its resources ranging from light vehicles, heavy vehicles, heavy machineries and plants. In such way, the Business is able to satisfy its workers through the provision of a persistent wage and meeting certain expenditures ensuring the overall financial status is well retained.

Workshop Wages

Workshop wages TMA consists of Machine/ Fitting Shop, Light & Heavy Garage, Tractor Shop, Welding and Fabrication (Boiler shop) and Refrigeration & Air-conditioning services. The Workshop provides mechanical services to Plant Pool, Water & Sewerage, Buildings, Hospitals and other client ministries in delivering of capital and on - going projects. The Workshop can provide widest range of engineering services available in the country. The major customer is plant pool and other ministries and departments.

Blocks Shed

The Block shed TMA was setup to support the needs of the Building and Roads Section in terms of facilitating the supply of concrete products (blocks, V - drains, road kerbs, marker posts, slabs and other non-structural concrete products needed for building and road construction. That was during the time when the Roads Section was still part of Department of Works. These buildings are either residential Quarters accommodation for government officials, government office buildings and institutional buildings. That traditional role has remained since its inception until this day. The volume of work that the Block shed TMA undertakes each year varies depending on the needs of other government ministries and department.

