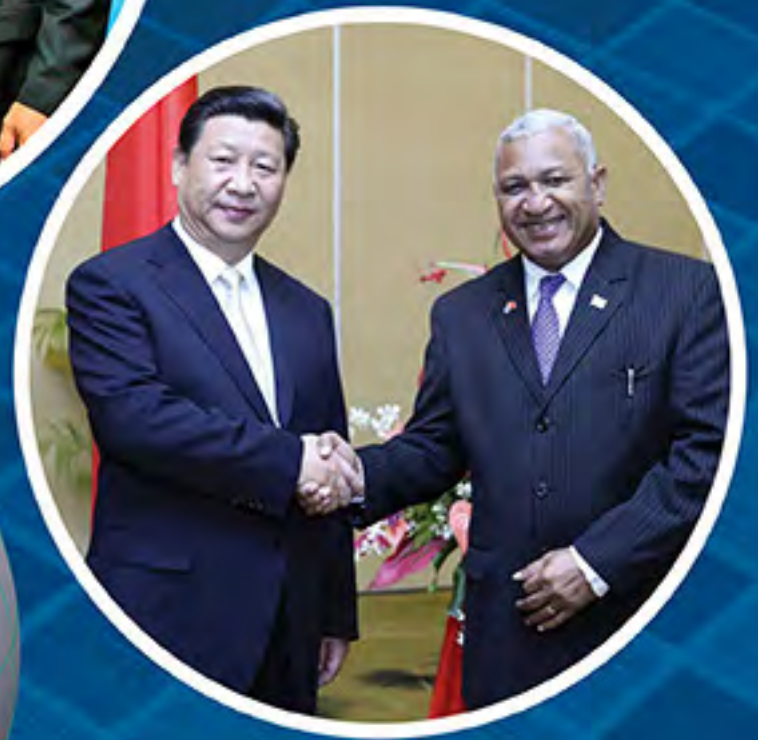




MINISTRY OF FOREIGN AFFAIRS AND
INTERNATIONAL COOPERATION



2014
ANNUAL REPORT

Vision

"A progressive and sustainable Fiji, through strengthened partnerships and collaborations with all stakeholders at national, regional and international community levels"

Mission

To advance Fiji's best interests at a sustainable level through effective formulation and implementation of foreign policies that embrace the need of the Government of Fiji and its people, including those of the region as well as the international community through effective regional integration and global cooperation.

Values

Our core values underlie the primary goal of the pursuit and achievement of excellence in all facets of our professional as well as our personal lives through professionalism, honesty, integrity, commitment, accountability, courtesy, transparency and loyalty.

Clientele/ Stakeholders





MINISTRY OF FOREIGN AFFAIRS

The Honorable Rear Admiral (Retired) Voreqe Bainimarama
Prime Minister and Minister for Foreign Affairs
Nasese
SUVA

Dear Minister,

Pursuant to the Public Service Act and the Financial Management Act 2004, I hereby submit the 2014 Annual Report of the Ministry of Foreign Affairs and International Cooperation for presentation to Parliament.

Yours Sincerely;



Ameria Yauvoli
Permanent Secretary for Foreign Affairs

Telephone: (679) 330 9645
Facsimile: (679) 3310 473

Levels 1 & 2, South Wing, I Taukei Trust Fund Complex, 87 Queen
Elizabeth Drive, Nasese,
Post Office Box 2220, Government Buildings, Suva, Republic of Fiji

<http://www.foreignaffairs.gov.fj>
info@foreignaffairs.gov.fj

ACRONYMS

BACC	Budget and Aid Coordination Committee
COP19	19 th Conference of the Parties
CRGA	Committee of Representatives of Government and Administrations
CSD	Corporate Services Division
CSO	Civil Society Organization
C24	Special Committee on Decolonization
CROP	Council of Regional Organizations in the Pacific
DG	Director General
GDNA	Global Designated National Authority
EPG	Eminent Persons Group
EU	European Union
FLNKS	Front de Libération Nationale Kanak et Socialiste
FMM	Foreign Ministers' Meeting
G77	The Group of 77 is a coalition of developing member nations, designed to promote its members' collective sustainable development interests in the United Nations
ICD	International Cooperation Division
IGO	Intergovernmental Organization
MSG	Melanesian Spearhead Group
NGO	Non-governmental Organization
MSGTA	Melanesian Spearhead Group Trade Agreement
PCSD	Protocol & Consular Services Division
PICTA	Pacific Island Countries Trade Agreement
PIDF	Pacific Islands Development Forum
PRUN	Permanent Representative to the United Nations
PSIDS	Pacific Small Island Developing States
SBI	Subsidiary Body of Implementation
SIDS	Small Island Developing States
SPARTECA	South Pacific Regional Trade and Economic Cooperation Agreement
SOM	Senior Officials' Meeting
SPC	Secretariat of the Pacific Community
UN	United Nations
UNFCCC	United Nations Framework Conventions on Climate Change
WTO	World Trade Organization

TABLE OF CONTENTS

Statements	Page Number
Referral Letter	2
Acronyms	3
The Permanent Secretary Foreword	5
Division / Missions Functions	
2014 Organizational Structure	7
Divisions / Missions Functions	8
Milestone & Achievements	
2014 Milestone & Achievements "Pushing Boundaries in Service Delivery"	11
MFA 2014 Audited Statements	
2014 Audited Financial Statements	44

PERMANENT SECRETARY'S FOREWORD



2014 has been a historic year for both the Ministry of Foreign Affairs & International Cooperation and for Fiji. In September, Fiji returned to parliamentary democracy which also saw returning to office, Hon. Ratu Inoke Kubuabola, as Minister for Foreign Affairs. We congratulate him on his victory.

Many opportunities presented themselves throughout 2014 that not only stretched us beyond our limits but which gave us the opportunity to rise beyond the challenges. These came at an opportune time as the Ministry adopted the theme ***"Pushing Boundaries in Service Delivery"*** for 2014. I am pleased to inform you that we succeeded in enlarging Fiji's footprint in the region as well as internationally by implementing our strategic priorities for 2014.

In June, the Ministry successfully spearheaded the establishment of the PIDF Secretariat, which was opened by our Prime Minister; the Hon. Josaia Voreqe Bainimarama. Fiji is proud to be the home of this regional organization. The Ministry, together with the PIDF Secretariat successfully hosted the 2nd PIDF Summit, which was held in Nadi from June 18th- 20th. Also coinciding with the PIDF Summit was the State Visit of the President of Indonesia, H.E. Susilo Bambang Yudhyono, who delivered the key note address.

Further in June, the Prime Minister opened our newly established Mission in Geneva, Switzerland. Fiji is the first and only PSIDS to have a full representation in Geneva, which hosts a number of specialized international agencies of the UN such as the ILO, WHO, WIPO, WTO amongst others and other international bodies. Fiji is now in a better position to have its voice heard internationally. Our presence in Geneva will also give voice to our PSIDS neighbors. In August, H.E. Ratu Epeli Nailatikau opened the Fiji Consulate in Shanghai, which will further strengthen our bilateral relations with PRC.

August was a month of great trial for the country, when 45 of our peacekeepers serving in Golan Heights were taken captive by the Al Nusra Front. Our missions abroad pursued all diplomatic avenues to seek the release of our men. Our Honorable Minister headed a delegation to Qatar to seek the Qatari Government's assistance in the safe release of our soldiers. As a result of the Ministry's diplomatic efforts and the efforts of all those who were involved, all 45 of our soldiers were released unharmed.

In addition to the State visit of the Indonesian President, the Ministry was in the forefront again when the leaders of the world's most populous country graced our shores in November. Firstly we had the Prime Minister of India, H.E. Narendra Modi visit our shores followed by H.E. Xi Jinping, President of the PRC. These visits have put Fiji at the forefront in its International Relations and the growing eminence of Fiji in the Region and in International Politics has been widely acknowledged by both our regional neighbors and the international community at large.

Other high level visits were made to Fiji during 2014 post elections period. Our re-engagement with our neighbors, Australia and New Zealand saw Foreign Ministers of both countries gracing our shores. Our bilateral relations with these two regional neighbors will reach new heights. Shortly we will exchange High Commissioners and seek to foster new dimensions in our relationships. The first fruit of re-establishing our relations with New Zealand has been the introduction of the RSE Scheme, which is benefiting all Fijians. This came about as a result of successful talks between our Honorable Minister and his New Zealand counterpart during the year.

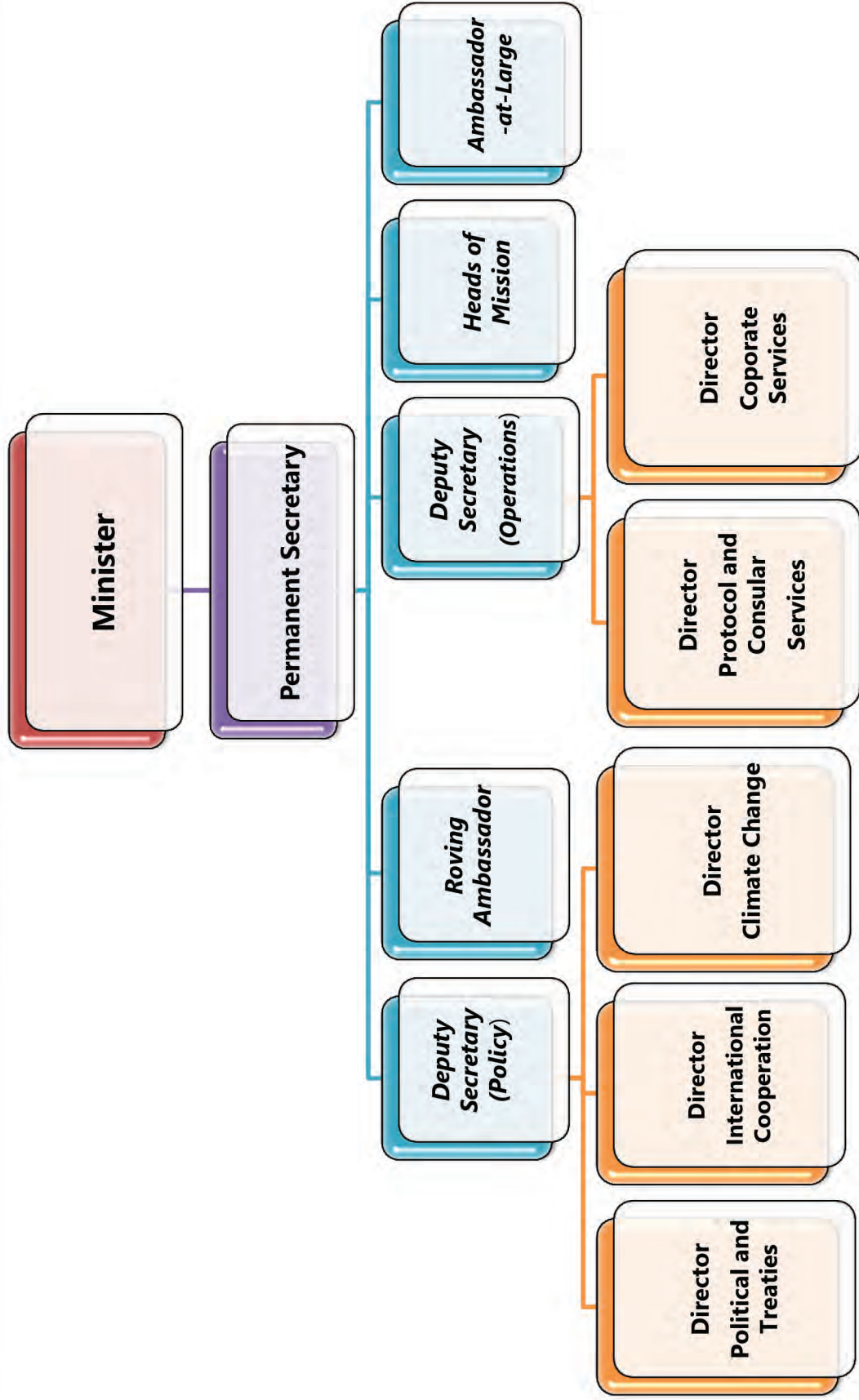
During the SEA night in October, the Ministry saw its graduation to Prize Level. All our efforts in **Pushing Boundaries in Service Delivery** have been greatly rewarded. The achievements of the Ministry are dedicated to its hard working staff at Headquarters and our diplomatic workforce in our 19 Missions abroad. They have been both exemplary and dedicated in serving the country and enlarging Fiji's footprint the world over.

The year was a busy one, 2014 will be etched in our memories and minds forever. As we enter the new year, we remain focused in the strategic direction headed by our Minister, that will see the Ministry rise to the occasion and deliver its best on behalf of Fiji, locally, regionally and internationally.



Amerta Yauvoli
Permanent Secretary for Foreign Affairs

2014 ORGANIZATIONAL STRUCTURE



Division/Mission Functions

Political and Treaties Division

The role of the Political and Treaties Division (PTD) is to provide high quality advice to the executive management on foreign policy matters that advances and protects Fiji's political and security interests through strategic bilateral, regional and multilateral relations.

The Division is also responsible for the licensing, compliance and monitoring of treaties that Fiji has acceded to, signed and ratified.

International Cooperation Division

The primary function of the International Cooperation Division (ICD) is to facilitate international development cooperation with bilateral, regional and multilateral partners that contributes to Fiji's sustainable development objectives which are directed towards poverty alleviation.

The ICD conducts its core activities in consultation with key governmental bodies and national stakeholders. It represents the ministry in the Budget and Aid Coordination Committee (BACC) which meets on a monthly basis with internal and external stakeholders to evaluate and approve national development projects and their implementation.

Protocol and Consular Division

The Protocol and Consular Division (PCD) ensures that Fiji's obligations under the Vienna Convention on Diplomatic Relations (1961), the Vienna Convention on Consular Relations (1963) and Fiji's Diplomatic Privileges and Immunities Act (1971) are accorded in compliance with these treaties to the diplomatic community and relevant regional and international organizations and to facilitate the efficient and effective delivery of their development assistance for the benefit of the people of Fiji.

The Division also ensures that diplomats including international public servants based in Fiji adhere to diplomatic conventions and laws under the Diplomatic Privileges and Immunities Act. The Division is also responsible for planning and coordinating regional and international conferences hosted by the Government of Fiji and to carry out protocol arrangements for distinguished guests of the state and for dignitaries travelling abroad.

Corporate Services Division

The Corporate Services Division (CSD) is responsible for managing the human capital and assets of the ministry. These include recruitment, development, reward, motivation, and maintenance of the Ministry's most important asset – its employees. In addition, CSD is responsible for job analysis, human resource planning, performance appraisal, human resource development, compensation and benefits, dispute settlement and effective health and safety programmes. The division also oversees the financial and administrative operations of the Ministry.

The role of CSD has been strengthened in the area of its networking linkages with all divisions, Fiji Missions abroad, monitoring and evaluation functions with the aim of identifying the most optimum strategies and options to improve services delivery and overall performance of the ministry.

Climate Change Division

The Climate Change Division is responsible for implementing the National Climate Change Policy (NCCP) and coordinating climate change programmes, projects and activities in Fiji. The National Climate Change Policy 2012 serves to provide the overarching guidance to all sectors on climate change issues and is the guiding document for the work of the Climate Change Division.

The division is also responsible for meeting Fiji's obligations to the United Nations Framework Convention on Climate Change (UNFCCC), Kyoto Protocol and other agreements endorsed by the Government. The CCD operates within the Government mechanisms and engages with a diverse range of external stakeholders including other Government agencies, development partners, civil societies, private sectors and local communities. The CCD aims to continually build on these relationships in an effort to forge strategic alliances, which will enhance outcomes as an organization as well to accomplish the climate change mandate of the Government.

Office of the Roving Ambassador

The role of the Office of the Roving Ambassador is to enhance and maintain diplomatic ties between Fiji and the Pacific Island Countries of Polynesia and Micronesia as well as representation to the CROP Agencies. RA's office also progresses development co-operation between Fiji and the accredited countries that have signed the MOU on Development Co-operation and exploring opportunities for south-south and triangular co-operation. The core activities of the RA is to be deeply involved in the proactive public diplomacy in raising awareness about Fiji's Roadmap and the new regional architecture advanced through the PIDF and the PSIDS to the Pacific Island Countries and Territories.

Fiji Missions Overseas

Fiji has established nineteen diplomatic missions in all the five continents of the globe. Their core roles and functions revolve around the following basic principles:

1. Represent Fiji in the host country;
2. Protect the interests of Fiji and Fijians in the Host Country;
3. Negotiate with the government of the host country;
4. Monitor and report on conditions and developments in the commercial, economic, cultural, and scientific life of the host country;
5. Promote friendly relations between Fiji and the Host Country.

6. Develop commercial, economic, cultural, and scientific relations between Fiji and the Host Country; and
7. Promote Fiji's interest and its foreign policies through participation at the UN and other International Organisations in the Host Country and
8. Assist in the provision of Visas, passports, and emergency documents.



2014 MILESTONES

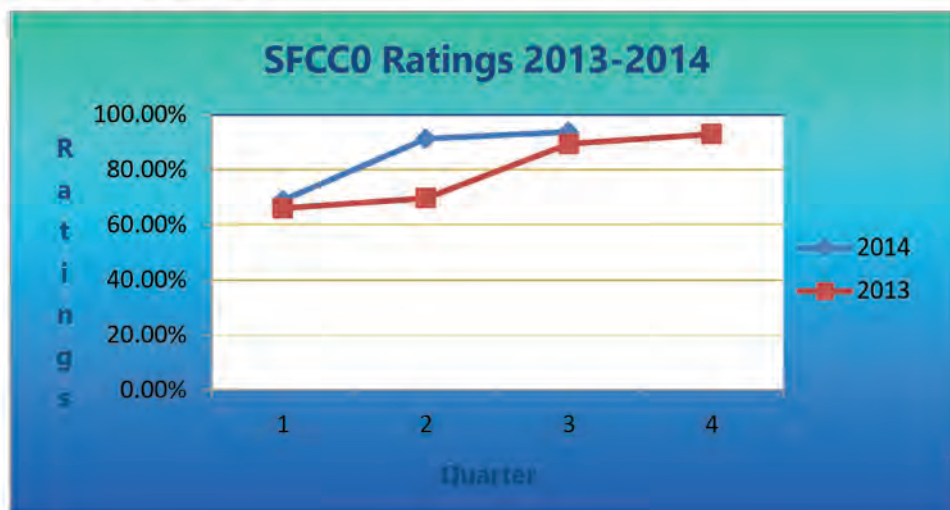
PUSHING BOUNDARIES IN SERVICE DELIVERY

A. OUTCOME 14: INTERNATIONAL RELATIONS

Output 1: Portfolio Leadership, Policy Advice and Secretariat Support

OUR OUTCOMES AND PERFORMANCE

Under Government's Strategic Plan 2009-2014, the Ministry of Foreign Affairs and International Cooperation has two outcomes, i.e. Outcome 14- *International Relations and External Trade* and Outcome 34 – *Environmental Sustainability*. When compared to its SFCCO Performance Rating in 2013, the Ministry in 2014 propelled its performance by a significant margin. In Quarter one of 2014, MFAIC was given in average rating of 68.85%.



Also in Quarter 1 the Ministry took stock of its own internal mechanisms and developed a new strategic direction under the theme "**Pushing Boundaries in Service Delivery**". Wide consultations were held with all the divisions and the 18 Missions in May at the Planning and Accountability Workshop held at Parliament from May 5th – 7th.

One of the key outcomes of this workshop was the establishment of the *Monitoring & Evaluation/Operations Unit*. The Ministry took the decision to establish this new unit with the aim to strengthen and advance internal monitoring and evaluation of performance of Divisions and Missions consistent with the Key Performance Indicators stipulated in the ACP with the detail and sound analysis through specified agreed timelines to meet internal and external submission deadline. As a result of measuring and evaluating internal "systems and processes, the Ministry received 91.31% in Quarter 2. Continuous efforts to push our boundaries further resulted in the Ministry topping its score to 93.73% in Quarter 3. Both these ratings are classified as "EXCELLENT performance as per the SFCCO Evaluation Systems.

2014 SERVICE EXCELLENCE AWARD

The Ministry was awarded at the prize level at the Service Excellence Awards Night in October. With the vision set by senior management of the Ministry and the adoption of the findings of our stock take exercise and realignment of our priorities under the theme "**Pushing Boundaries in Service Delivery**", the Ministry strengthened its internal systems and processes which saw its graduation from Commitment level to Prize Level.



Also for the first time, the Ministry held its own internal SEA Night. The event was held to honor and recognize the work of the Ministry and its employees. In 2014, the following employees and division were recognized for their outstanding contribution towards the Ministry.

Award	2014 Recipient
Minister's STAR Award	Political and Treaties Division
Permanent Secretary's Award	Mr. Jiko Rasoqosoqo
Rising Star Award	Ms. Vasiti Cirikiyasawa
Social Responsibility Award	Ms. Vakaoca Kedrayate
GEM (Going the Extra Mile) Award	Mrs. Meredani Tuicakau
Best Groomed Employee Award	Ms. Amelia Cobona

ESTABLISHMENT OF PIDF SECRETARIAT

The Ministry reached a milestone during the year, when the new PIDF Secretariat building was officially opened by the Prime Minister on June 26. Mr. Feleti Teo, who was formerly Deputy Secretary General of the Pacific Islands Forum, was appointed as the Secretary General of the new Regional Organization. In his remarks at the opening ceremony, the Prime Minister defined



that “the PIDF is a grand coalition of Pacific Governments, civil society organizations and business, all working together to enhance the cause of Pacific peoples everywhere. And it is a great honor for Fiji to be given the responsibility of providing this new organization with a home”. The establishment of the PIDF Secretariat was an extra ordinary achievement for the Ministry, as it over saw its establishment.

ESTABLISHMENT FIJI'S PERMANENT MISSION TO THE UN (GENEVA)

In terms of International Relations, the Ministry once again inked Fiji in history by establishing a mission in Geneva. Fiji is the first and only Pacific Small Island Developing State to establish a full mission in Geneva. Fiji's presence in Geneva is important as it puts Fiji in an ideal position to project its interests and views to the many UN specialized agencies –ILO, WTO etc, UN bodies and the more than 250 NGOs who are headquartered and or based in Geneva. With the addition of the Geneva Mission, the Ministry now operates 17 Diplomatic Missions and 2 Consulate Offices.



Mrs. Nazhat Shameem Khan, the first woman to be appointed as the Director of Public Prosecution and the first female judge to the High Court of Fiji was commissioned as Fiji's Permanent Representative to United Nations-Geneva and as Ambassador Extraordinary and Plenipotentiary to Switzerland by Acting President, Justice William Calanchini on May 15th.

Hon. Prime Minister Voreqe Bainimarama officially opened the mission on June 3rd.

ESTABLISHMENT OF THE FIJI CONSULATE IN SHANGHAI, PEOPLE'S REPUBLIC OF CHINA



Fiji reached another milestone in its relations with the People's Republic of China, when Fiji's new Consulate General's Office was officially opened by H. E the President of the Republic of Fiji, Ratu Epeli Nailatikau on August 8th.

The new mission aimed to further strengthen Fiji's bilateral relations with China. In Opening the office, the President stated “the opening of the Fiji Consulate in Shanghai is an exciting

development which will serve as a strong platform from which to launch a reinvigorated Fiji-Sino economic relations to greater heights.

The Office is headed by Consul-General, Neumi Leweni and is assisted by staff of the Fiji Embassy in Beijing. The opening of the new office is attributed to successful talks between President Nailatikau and his Chinese counterpart H.E. Xi Jinping. Fiji and China have had bilateral relations for almost 40 years.

FIJI TO CHAIR/HOST COLOMBO PLAN 2016

The Ministry once again established Fiji's eminent position internationally when the Fiji Mission in New Delhi successfully negotiated Fiji's bid to host the 45th Consultative Committee Meeting (CCM) to be held in 2016. The 44th CCM was held in Kathmandu, Nepal. During this year's meeting Fiji was once again in the international spotlight after Fiji's Permanent Secretary for Foreign Affairs was appointed as Deputy Chairperson of the 44th CCM.

Fiji became a member of the Colombo Plan in 1972. Fiji's position to host the eminent meeting was further strengthened when the United States of America proposed Fiji's name to the twenty seven member countries. Fiji's nomination was seconded by Fiji's Regional neighbor, Papua New Guinea.

MINISTRY'S CONTRIBUTION TOWARDS THE SAFE RELEASE OF CAPTURED PEACEKEEPERS (MINISTER'S VISIT TO QATAR)

Fiji was in the international media when 45 Fijian Soldiers serving as UNDOF Peacekeepers were abducted by the Al Nusra Front who was serving as UNDOF Peacekeepers in Golan Heights. Fiji's Permanent Mission to the United Nations – New York had meetings with the UN and other agencies to set in procedures to seek the safe release of the nation's soldiers.

Bilateral meetings were held with relevant Permanent Missions who showed strong support and solidarity towards the Government of Fiji. Offers of assistance came from Syria, Israel, Qatar, Turkey, Jordan, New Zealand, Australia, USA, Russia, UK and the Netherlands. During the crisis, the Mission gathered intelligence and information from Member States from UNDOF and DSS.

Diplomatic efforts were also pursued by the Fiji Mission in Abu Dhabi and London. A delegation headed by our Foreign Minister, Ratu Inoke Kubuabola visited Qatar, to seek the Qatari Government's assistance in securing the release of the troops. Intensive discussions were held with Qatari Foreign Minister. The soldiers were released after fruitful talks. The release of Fijian troops was due to diplomacy in action. Fiji's High Commissioner to London, Solo Mara, travelled to the Middle East to receive the troops upon their release.

7TH DIPLOMATIC INDUCTION COURSE

Fiji's Ambassador to Japan, Isikeli Maitoga accomplished a key KPI of the Ministry by successfully undertaking the 7th Diplomatic Induction Course as lead facilitator at the Parliamentary Complex in Suva from Wednesday 4th to Thursday 12th June, 2014. The course aimed to mold and instruct Fiji's future diplomats. This year there were 46 participants not only from Fiji's Public Service but from Private Sector and Pacific Island Development Forum members.

For the first time, participants from other Pacific Islands were also part of this course. As a development partner, Fiji is providing human resources capacity building support for its Pacific neighbors.



Participants with the Principal Resource person and facilitator, Ambassador Maitoga and Chief Guest Dr. Kedrayate at the opening

69TH SESSION OF UN GENERAL ASSEMBLY

The Ministry's Political and Treaties Division was part of the delegation that participated at the 69th UNGA held at the UN Headquarters in New York. The division was involved in preparing talking point and briefs for bilateral and other related activities. Within the margins of the 69th UNGA, the Minister held successful bilateral meetings with his counterparts from The Russian Federation, Qatar, People's Republic of China, and Seychelles. Discussions between Fiji and Seychelles eventually led to the opening of job opportunities for Fiji teachers to be employed in the education system of Seychelles.

HOM CONSULTATIONS 2014

The Annual Heads of Missions Consultations convened in Fiji from November 17th to 18th. Heads of Fiji's 19 Mission attended this two day consultations to discuss Fiji's Foreign Policy Statements, the Ministry's Strategic Plan 2015-2020 and the new Policy Direction for the Ministry.

While officially opening the 2014 HOM Consultations the Prime Minister urged HOMs to "continue to find opportunities for Fiji. He also reminded them to always put Fiji's overall interest first".

The theme for this year's meeting was "*Pushing Boundaries in Service Delivery*". The Heads of Missions have endorsed the new Strategic Policies of the Ministry for Year 2015.



Output 2: Management of International and Regional Obligations

SUCCESSFUL SIGNING OF MARITIME BOUNDARY AGREEMENT WITH GOVERNMENT OF TUVALU

The Political Treaties Division played a crucial facilitation role in the finalization and signing of the historic Fiji-Tuvalu maritime boundary delimitation agreement between the Prime Ministers of both states. This agreement was the result of many years of negotiations between Senior officials of both countries. "The treaty formally establishes the extent of the national areas of jurisdiction between Fiji and Tuvalu as recognized in international law under the 1982 United Nations Convention on the Law of the Sea. It has put reset on all grey maritime boundaries the two countries used to face in the past. The agreement was signed between the two Heads of Governments on October 17th in Suva.

FIJI, FRANCE AND TUVALU AGREE ON COMMON MARITIME BOUNDARY POINT IN LONDON

Two months after Fiji Prime Minister Hon Josaia Bainimarama signed a maritime boundary treaty with his Tuvaluan counterpart, Mr. Enele Sopoaga on 14th October, the two neighboring Pacific island countries met again in London with France on 9th December and agreed on a common tripoint shed between the three countries.

Aside from the agreeing on this common tripoint, Fiji and Tuvalu also finalized pending amendments to maritime boundary coordinates that was outstanding since 1990.

Fiji and Tuvalu aims to formalize this arrangement by Dec 2014 via an exchange of Diplomatic Notes to make these effective under international law. This will finalize all outstanding maritime boundary issues between the two countries.

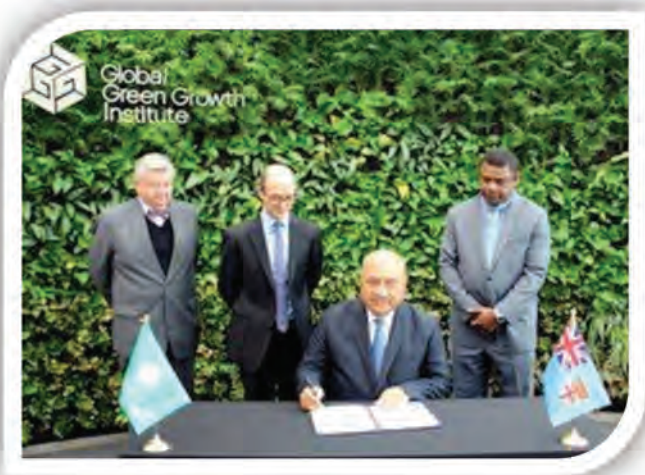
Fiji's High Commissioner to London, England expressed his gratitude to both France and Tuvalu for the considerable goodwill shown during the negotiations which sets the pace for future negotiations in the region. He also thanked SPC-SOPAC for their invaluable technical assistance in these negotiations.



The Commonwealth Secretariat hosted the trilateral talks and offered to fund consultancy work for Fiji which will be crucial in expanding the progress in the technical areas of the negotiations. These include submissions to the UN, which are prepared in accordance with the usually stringent and complex requirements of the UN Convention of the Law of the Sea.

The Fijian delegation was led by High Commissioner, Mr. Solo Mara and included senior officials from Fiji's Ministry of Foreign Affairs, Ministry of Lands, Mineral Resources Department and the Fiji Navy.

GGGI MEMBERSHIP



In 2014 Fiji became the 21st country to join the Global Green Growth Institute (GGGI) after the signing ceremony was concluded by the Minister for Foreign Affairs and International Cooperation, Ratu Inoke Kubuabola in Seoul, Korea. Fiji's admission at the GGGI comes at an opportune time as the Bainimarama Government works tirelessly to formulate its own Green Growth Framework. With this new cooperation arrangement, GGGI can now assist Fiji in issues related to global climate change and the promotion of economic growth through

development of strategies and policies for green growth such as sustainable, climate resilient and low-carbon economic development. The Institute will serve as a bridge between developed and developing countries, the public and private sectors, and practitioners and scholars by channeling GGGI's knowledge-base, networks and experience through technical assistance to promote and implement Fiji's own rigorous green growth economic development strategies.

SUCCESSFUL HOSTING OF THE 2ND PIDF SUMMIT (2014)

The Ministry successfully participated and assisted the newly established PIDF Secretariat, organize the 2nd PIDF Summit. The 2nd Summit was held at the Sheraton from the 18th to 20th June.



The theme of the Summit was *"Green Growth in the Pacific: Building Resilient Sustainable Futures and Genuine Partnerships"*. The occasion was historical not only for the PIDF, but also for Fiji, as it hosted the President of Indonesia, H.E. Susilo Bambang Yudhono.

Fiji's Prime Minister while opening the Second Summit stated that "Fiji's vision for the PIDF – which I first enunciated last year – is equally simple: We don't need expensive outside solutions in our quest for Green / Blue economies, in which our resources on land and our resources at sea are protected and sustained. We need an affordable, achievable and practical Pacific development model that not only serves our needs today but leaves our precious surroundings in a better state than we inherited for our children and future generations."

18 PICs were represented at this year's meeting. Nauru pledged \$A 50,000 as assistance to PIDF, a contribution that was worthy of recognition by member states during the meet.

RS13 – RENEGOTIATION SESSION OF THE TUNA TREATY

The Ministry through PTD was a member of the Fiji delegation to RS13 in Honolulu, Hawaii, USA, which was held from October 1 - 4. The delegation participated in the small group meetings between the Non-Parties to the Nauru Agreement as well as provided interventions between the Pacific Islands Parties before meeting USA. The division provided comments to the Technical Drafting group on textual changes to Working Paper #5 on the Regional Terms and Conditions of the Treaty. Ultimately, the objective was realized when the financial package increased from US\$63 million to US\$90 Million.

DIPLOMATIC TRAINING ON RUSSIA'S FOREIGN POLICY

Four officials from the Ministry of Foreign Affairs in November, travelled to Moscow to participate in a special diplomatic course offered by the Ministry of Foreign Affairs of the Russian Federation.

They were also accompanied by six officials from the Republic of Fiji Military Forces, the Fiji Police Force and the Ministry of Defence, National Security and Immigration.

This is the first lot of civil servants from Fiji to participate in a course offered by the Russian Federation, heralding the strengthening of relations between Fiji and the largest country of the world by land mass.

This was only possible after the successful talks between Minister Ratu Inoke Kubuabola and his Russian counterpart Sergey Lavrov when they met in Moscow in June.

20TH ANNIVERSARY OF THE INTERNATIONAL SEABED AUTHORITY- FIJI DELIVERS STATEMENT ACKNOWLEDGING ITS HISTORY IN UNCLOS

A special session of the Assembly of the International Seabed Authority (ISA) was held in Kingston, Jamaica on July 27th, to commemorate the 20th Anniversary of the International Seabed Authority.

Speaking on behalf of the Member States of the ISA's Asia-Pacific Group, Fiji's Ambassador Peter Thomson to the United Nations said the Group paid tribute to the founders of UNCLOS and the ISA. He said that since its founding in 1994, the ISA had made remarkable progress and had now issued 26 plans of work for the exploration of seabed resources in the global oceanic commons.

The Asia-Pacific Group recognizes peace, development and international cooperation as the theme of our times, with marine governance part and parcel of the international order. Ambassador Thomson said the Group expected the ISA and Member States to ensure the rights and interest of developing countries in international seabed affairs.

Speaking later at the Special Session in his national capacity, Ambassador Thomson said that Fiji was particularly proud that one of Fiji's most distinguished sons, Ambassador Satya Nandan, who had played a key role in the creation of UNCLOS, went on to serve as the founding Secretary-General of ISA from 1996 to 2008.

Ambassador Thomson reminded that 32 years ago, Fiji was the first State to ratify UNCLOS. He said that at that time, Fiji had seen UNCLOS as a signal that a just and equitable oceans governance system could be achieved for the benefit of all mankind. He said that Fiji had not been disappointed in the ensuing decades.

FIJI RATIFIES IAEA REGIONAL COOPERATIVE AGREEMENT

Based on a submission by Minister of Foreign Affairs, cabinet this year gave approval for Fiji to ratify the IAEA's Regional Cooperative Agreement (RCA). Fiji joined the International Atomic Energy Agency (IAEA) in September 2012.

The IAEA is the world's center of cooperation in the nuclear field, and works with its member States and multiple partners to pursue the safe and peaceful uses of nuclear science and technology. The ratification of the RCA will enable Fiji to address key development priorities focusing on pressing needs relating to food security, human health, environment and radiology safety. Additionally, it will create opportunities for Fiji to engage actively in Technical Corporation (TC) projects and capacity-building exercises.

HUMAN RIGHTS COUNCIL CANDIDATURE

In preparation for the 2016 HRC Elections in which Fiji is a candidate, the NY Mission has begun assembling commitments of support through reciprocal arrangements with countries with candidates in the elections for the International Court of Justice which commenced on November 6th and will continue to do so in subsequent elections, to garner votes for Fiji to be represented on the HRC.

FIJI AND BRAZIL SIGN MOU FOR COOPERATION

Fiji's Ambassador to Brazil Cama Tuiloma, signed a Memorandum of Understanding (MOU) on Political Consultations with the Brazilian Minister for External Relations, Mr. Luiz Figueiredo in Brasilia in July.

The MOU is an instrument for developing a dialogue mechanism to enhance and expand bilateral relations and cooperation between Fiji and Brazil. Specifically, under the MOU the parties will maintain periodic consultations mainly on bilateral issues and mechanisms and means to promote and diversify cooperation for their mutual benefits including regional and international matters of common interest.



The MOU is in line with Fiji's Foreign Policy of enhancing engagement with the international community while complementing initiatives on South-South Cooperation. The signing of the MOU is another milestone for the Fijian Government and particularly for the Mission in Brazil in its endeavor to sign off on the remaining two General Agreements to progress cooperation and relations with the Brazilian Government. The two countries established diplomatic relations in 2006 and are both members of the UN and the G77 and China.

PAPUA NEW GUINEA TOURISM STUDENTS ON FIJI GOVERNMENT SCHOLARSHIPS TO STUDY AT FNU

The Minister for Foreign Affairs and International Cooperation, Ratu Inoke Kubuabola, on February 3rd announced the arrival of 15 PNG students to pursue studies across a wide range of courses offered at the Fiji National University's (FNU) School of Tourism and Hospitality.

Minister Kubuabola said, "The Fiji Government scholarships awarded to the 15 PNG students was the outcome of an initiative by Fiji's Prime Minister Bainimarama extended to PNG Prime Minister O'Neil during their respective visit to each other's country in late 2012 and early 2013."

During the two Leader's bilateral meeting, the PNG Tourism sector was identified as one of the priority areas needing development and capacity building. Furthermore, the positive impact of this development cooperation will contribute to the sustainable development of PNG tourism sector which is expected to grow as a result of the resource boom Papua New Guinea is experiencing.

State efforts personally led by both Prime Ministers have resulted in ramped up collaboration between the two large Pacific Island economies. Already trade and investment between the two countries under the MSG Trade Agreement (MSGTA) is expanding but this is just a tiny proportion of the potential that is still to be tapped.

FNU will be an instrumental player in accelerating the knowledge and solution transfer in this South-South initiative. More importantly it is within the Melanesian framework of cooperation which aims to strengthen our collective self-reliance and build our capacity according to our own unique needs.

2014 NAM SUMMIT- ALGIERS, ALGERIA

Minister for Foreign Affairs and International Cooperation, Ratu Inoke Kubuabola represented Fiji at the ministerial conference of Non Aligned Movement (NAM) in Algiers, Algeria in May.

During this meeting, Ratu Inoke delivered a statement on behalf of the Fijian Government, in which he called on Member States of the Non Alignment Movement to collectively pursue a new international order. He highlighted Fiji's Peacekeeping commitment and called on NAM member countries to consider strengthening peacekeeping and peacebuilding. [Fiji's] pledge to global peace is manifested through its steadfast commitment to UN peacekeeping and peace building efforts. It is a source of great pride that for a nation of our size, we are able to make a meaningful contribution to the international community.

Ratu Inoke pledged that Fiji would continue to play her part and advocate for peace in the troubled regions of the world.

The NAM, which comprises 120 nations and 20 observer countries, focuses mainly on issues relating to economic and social development, democracy, disarmament and peace.

Fiji joined the Non- Aligned Movement in 2011. The NAM countries represent nearly two-thirds of the United Nations' members and contain 55 per cent of the world population. Membership is particularly concentrated in countries considered to be developing or part of the Third World.

THE UNIVERSAL PERIODIC REVIEW

In 2014, Fiji presented its second cycle of the Universal Periodic Review to the Human Rights Council. The process commenced with the submitting of a country report, which in Fiji's case was submitted in August.

The Fijian delegation was made up of the Attorney-General and Minister for Justice (Head of Delegation), the Chief Justice, the Director of Public Prosecutions, the Chair of the Media Industry Development Authority and Ambassador Khan and her staff.

The success of the process was a testament to the preparation work done by the Mission staff and the excellent teamwork of the delegation as a whole.



Output 3: Promotion and Strengthening of Multilateral and Bilateral Relations

FIJI – RUSSIA STRENGTHEN BILATERAL RELATION



For the first time, Fiji's Foreign Affairs Minister, Ratu Inoke Kubuabola met with his Russian counterpart, Minister Sergey Lavrov in Moscow on Friday 27th June 2014. The meeting was a follow up on the inaugural visit to Russia by Fiji's Prime Minister in June 2013. The two Ministers discussed ways they would help each other out bilaterally. They discussed important issues that ranged from bilateral and trade, humanitarian aid and election preparation.

Fiji and Russia vowed to strengthen their relation and raise it to greater heights after realizing that there' is still other areas they could explore and expand on. To cement the close relationship the two countries have endured in the last 40 years, there is a real need for Russia to establish a resident mission in Suva, Fiji. This would certainly deepen and consolidate their bilateral relations and also provide Russia with closer contact point with all Pacific Island countries given Fiji's position as the hub of the Pacific.

ROK/PIC FOREIGN MINISTERS MEETING – AMB

The second ROK-PIC Foreign Ministers Meeting was held in Seoul from the 23rd and 24th of November comprising senior officials from 14 Pacific Island Countries. The Meeting is part of diplomatic efforts to strengthen strategic cooperation between the ROK and Pacific Island countries.

The two sides held intensive discussions on ways to enhance substantive cooperation between the ROK and PICs in a range of areas, including climate change, development, maritime and fisheries.

The meeting hopes to establish policy directions on issues such as "Development Cooperation", "Environmental Cooperation" and the resumption of deployment of Korea's volunteer group "World Friend Korea". With the growing strategic importance of Pacific Island countries, rich in fisheries and future energy resources, the ROK and the countries have maintained close cooperation and coordination in bilateral and global issues as solid cooperation partners.



The Meeting is expected to help expand the ROK's diplomatic horizon and build a stronger foundation for cooperation between the two sides by contributing to PIC's sustainable development and fight against climate change.

The 14 senior representatives from the PICs released a joint statement following the conclusion of the 2nd ROK-PIC Foreign Ministers Meeting. Under the theme of "Building Inclusive and Enduring Pacific Partnership for Co-Prosperity," the joint statement addressed development Cooperation, Climate Change cooperation, marine and fisheries Cooperation, as well as Fiji's stance on the Pacific Islands Forum (PIF).

From next year, the ROK will expand the scale and sectors of the 'Korea – PIC Special Fellowship Program' which the Korea International Cooperation Agency (KOICA) has been undertaking since 2009 for the cultivation of talented personnel vital for the development of the PICs.

The Ministers agreed to hold mutual consultations between the ROK and the PICs through various channels on bilateral cooperation for the establishment of the Post-2020 Climate Regime. The PIC Ministers welcomed that the ROK, as the host of the Secretariat of the Green Climate Fund (GCF), promised to contribute a maximum of 100 million US dollars to the GCF and ensure GCF financial resources.

The Ministers agreed to contribute to the sustainable development of the PICs through close cooperation in the sectors of marine and fisheries resources, marine transportation, energy, and tourism.

2ND INDONESIA-FIJI POLICY PLANNING DIALOGUE

The Permanent Secretary, Mr. Amena Yauvoli, supported by the Fiji Embassy in Jakarta, Indonesia participated for the Second Policy Planning Dialogue with counterparts of the Agency for Policy Planning and Development of the MFA in Jakarta on November 13th.

Matters discussed included policies of the new Governments of Indonesia and Fiji respectively; respective briefs on regional organizations; and ways forward to elevate Fiji-Indonesia bilateral relations in more tangible ways. Indonesia's revamped foreign policy post-election in 2014 is formulated around its ambition to become the global maritime axis in the 21st century.

Fiji is already a regional maritime axis in the Pacific and the two countries explored win-win scenarios where their two foreign policy objectives could muster the necessary synergies to propel them forward in maximizing and consolidating their hub positions in their regions. Indonesia is situated close to the



Malacca Strait which is one of the busiest shipping routes connecting Asia and the Americas, including but not limited to the African continent.

The majestic rise of China in global affairs and its New Silk Road Strategy is also manifesting itself in many strategic locations around the world and intersects Indonesia's global maritime axis in this strategic location.

Global trends indicate an increasing volume of trade between China and South America which would put the Pacific region directly at its path. There are many opportunities abound that Fiji needs to secure first with her bilateral partners through such bilateral meetings to cement its position, no matter how small within the grand plans/strategies of Fiji's bilateral partners in our neighboring Asian region.

FORMAL DIPLOMATIC RELATIONS

During the year, Fiji through its PRUN office formally established relations with the countries highlighted in the foregoing table.

A total of 17 FRDs were established during the year.

Country	Date of Signing
Bolivia	Jan 9 th , 2014
Lithuania	Jan 24 th , 2014
Kyrgyzstan	Feb 14 th , 2014
Dominica	Mar 21 st , 2014
Federal Republic of Somalia	Apr 10 th , 2014
Turkmenistan	May 2 nd , 2014
Federation of Saint Kitts and Nevis	May 16 th , 2014
Republic of Yemen	Jun 5 th , 2014
Guinea Bissau	Jul 7 th , 2014
Republic of Poland	Jul 17 th , 2014
Liechtenstein	Jul 30 th , 2014
Republic of Iraq	Aug 12 th , 2014
Republic of Niger	Sep 9 th , 2014
Republic of Cote d'Ivoire	4 April, 2014
Yemen	5 June, 2014
Republic of Gambia	12 October, 2014
Republic of Guyana	8 December 2014
Republic of Malta	11 December 2014.

STATE VISIT OF THE INDONESIAN PRESIDENT



The Ministry played a significant role in facilitating the State Visit of the President of Indonesia, H.E. Susilo Bambang Yudhyono from the 17-20th June. The Indonesian President was also the key note speaker at the Second PIDF Summit held in Nadi. During his visit the Ministry's Protocol Division was heavily engaged in all facilitation activities to make this visit both historically memorable and successful. This visit was a first by an Indonesian head of state and the first such visit of an Indonesian President to the Pacific Islands. During the visit, the President met with his Fijian counterpart Ratu Epeli Nailatiaku. He also had bilateral meetings with Prime Minister Josaia V. Bainimarama.

Six MoUs were signed during the state visit, inter alia:

	MOU	Description
1.	MoU for Technical Cooperation	This MoU incorporates Cooperation in Public Works Infrastructure on Urban Development and Housing.
2.	MoU on Diplomatic Education, Training and Joint Activities	This MoU is intended to foster closer cooperation in the field of education and training for diplomats, to further develop and strengthen existing friendly relations and cooperation through exchange of views on bilateral, regional and international issues of mutual interest and to strengthen diplomatic policy dialogues on regular basis between the parties.
3.	MoU on Marine and Fisheries Cooperation	The objective of this MoU is to set up a framework for the enhancement of cooperation in the field of marine and fisheries. Aquaculture and Seaweed are seen as having great potential under this MoU.
4.	Letter of Intent on Cooperation in Combating Illicit Trafficking in Narcotic Drugs, Psychotropic Substances and their Precursors	The objective of this intent is to forge closer cooperation in preventing and combating the threat of these substances. Areas of collaboration would include information exchange and other forms of cooperation as mutually agreed for the benefit and interest of the participants
5.	Agreement on Visa Exemption	Nationals of either States holding valid diplomatic service passports will not be required to obtain a visa to enter transit and stay in the territories of both States for a period not exceeding 30 days from the date of entry.
6.	MoU on Youths and Sports	The aim of this MoU is to strengthen the ties of friendship between both countries and to promote, youth and sports development on the basis of reciprocity, mutual understanding and benefit, recognizing the importance of encouraging and developing youth and sports exchange between the parties.

The leaders agreed to strengthen cooperation in various fields such as democracy, economy, education and training and in addressing regional and global issues. They also agreed to work closely to realize the objective stipulated under the Framework Agreement for Development Cooperation signed in 2011.

OFFICIAL VISIT OF THE PRIME MINISTER OF INDIA



Fiji reached even greater heights in its international relations as it welcomed the Head of Government of the world's largest democracy, H.E. Mr. Narendra Modi, Prime Minister of India. The Ministry was part of the planning, facilitation, and conduct of the one day visit on November 19th.

The Ministry also assisted in the formulation and finalization of the 3 MoUs that were signed by the Prime Ministers of both Fiji and India, inter alia:

MOU on Diplomatic Training:

- ✓ The MoU was for training programmes for diplomats signed between the Foreign Service Institute of India and the Ministry of Foreign Affairs of Fiji. The MOU will allow Fiji diplomats to undergo training at the Indian Foreign Service Institute in New Delhi. This will equip Fiji diplomats with skills and knowledge acquired to sustain a diplomat at the mission.

MOU on Land:

- ✓ A second MoU was on earmarking of land in Suva, the capital of Fiji and New Delhi for the construction of diplomatic missions. The official statement issued by the government said, this will provide a permanent location for the conduct of our relations and will be an iconic presence in Suva. This MOU was signed to enable both countries to secure land at no cost for the construction of chanceries of both countries in their country of posting. Fiji has been allocated a 3,677 square meters of land at the Diplomatic Conclave in Chanakyapuri.

MOU on LOC for FSC - \$70m

- ✓ The third MoU signed was for extension of a USD 70 million line of credit for the establishment of a co-generation plant in Rarawai Sugar Mills in Fiji. More bilateral cooperation in the sugar sector of the two nations will result. This move will also allay climate change concerns. India has also provided assistance for up gradation and product development in three major Fiji sugar mills.

Apart from the signing of the MoUs above, the Prime Minister while addressing the Special Sitting of the Fijian Parliament announced to:

- ✓ Identify opportunities to expand trade and investments and work out a concrete road map;
- ✓ Expand defense and security cooperation, including assistance in defense training and capacity building;
- ✓ Consult each other more closely on international issues of mutual interest, including international trade, climate change, United Nations Peacekeeping and UN reform
- ✓ Extending visa on arrival facility for Fiji Citizens
- ✓ Providing 5 million US dollar fund to promote small business and village enterprises
- ✓ Double the scholarships and training slots in India for Fijian students



Fiji also extended invitations to its Pacific Island neighbors to be part of this official visit. The Prime Minister of India addressed the leaders of Pacific at the Forum for India-Pacific Islands Cooperation Meeting. During this meeting the Prime Minister announced several initiatives and measures which seeks to strengthen the India Pacific Islands Partnership. These include:

- ❖ Setting up of a Special Adaptation fund of \$1 Million
- ❖ Proposal to develop Pan Pacific Islands Project for Telemedicine and tele-education.
- ❖ Solar Energy projects.
- ❖ Visa on arrival for all 14 Pacific Island Countries.
- ❖ Increase in Grant in Aid from USD 125,000 to \$200,000 to USD 200,000 to each PIC annually
- ❖ Deputation of ITEC experts
- ❖ Training of Diplomats from PICs at the Foreign Service Training Institutes
- ❖ Distinguished Visitors Programme
- ❖ Space Cooperation
- ❖ Forum of India-Pacific Island Cooperation to be held at a regular basis.

The Prime Minister was accorded a full traditional welcoming ceremony, which was also witnessed by the public.



STATE VISIT OF THE PRESIDENT OF THE PEOPLE'S REPUBLIC OF CHINA



Another historic visit was made to Fiji from November 21st to 23rd, by the President of the People's Republic of China. The Ministry was once again in the forefront of this visit. This visit by H.E Xi Jinping was the first visit of a Chinese President to Fiji. The President and the Fijian Head of Government held bilateral talks which were followed by the signing of 5 MoUs between Fiji and China, interalia:

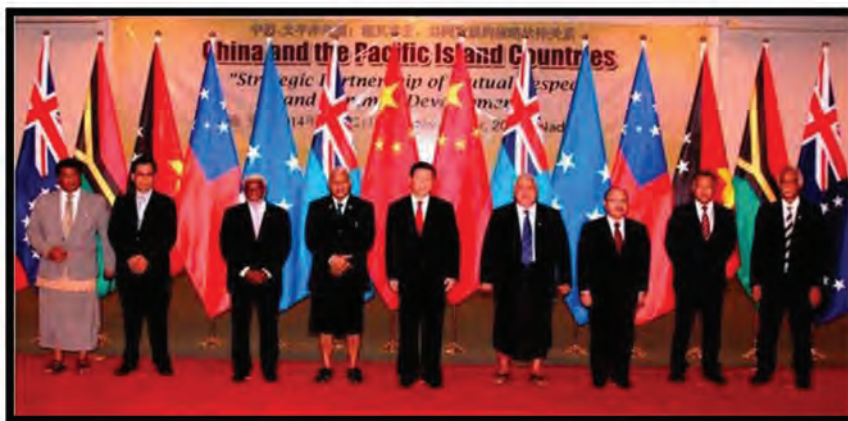
- ❖ MoU between the Government of the Republic of Fiji and the Government of the People's Republic of China on the Establishment of a Chinese Cultural Center in Fiji
- ❖ Memorandum of Understanding between the Ministry of National Defence on the People's Republic of China and the Ministry of Defence, National Security and Immigration of the Republic of Fiji.
- ❖ Memorandum of Understanding between the National Development and Reform Commission of the People's Republic of China and the Ministry of Infrastructure and Transport of the Republic of Fiji concerning the provision of Good for Addressing Climate Change in Fiji.
- ❖ Agreement on Economic and Technical Cooperation between the Government of the People's Republic of China and the Government of Fiji

❖ Exchange of Letters about the construction of Vunidawa Sports Complex Project.



Apart from the above MoUs and Agreements, the Chinese president announced that Fiji citizens will not have to apply for pre-entry visas to enter China.

The President also met with Leaders of Pacific Islands States. The meeting focused on the overall plan for cooperation and development and on the strategic partnerships of mutual respect and common developments.



MSG DPKO MOU

After extensive consultations with the MSG Secretariat, Ministry of Defence, Ministry of Foreign Affairs, Solicitors General's Office and the Fiji Police Force, the MoU for a Police Officer to be seconded to the MSG Secretariat for a period of 3 month was finalized and signed off by the Acting Permanent for Foreign Affairs, the Commissioner of Police and Director General of the MSG Secretariat. The MSG mandate is for Fiji to take the lead role on MSG Policing issues. The seconded officer is tasked to develop the operating doctrines and procedures of MSG Peace and Security Unit.

RECOGNIZED SEASONAL WORKERS SCHEME

On November 22nd, Hon. Ratu Inoke Kubuabola met with his New Zealand counterpart, the Hon. Murray McCully, to further talks of Fiji's inclusion under New Zealand's RSE scheme. Following successful talks between the Foreign Ministers, the RSE scheme was formalized on December 11th between Fiji's Ministry of Employment, Productivity and Industrial Relations and the New Zealand

Ministry of Business, Innovation and Industrial Relations. 30 Fijians would participate in the pilot phase of the scheme in Hawke's Bay beginning in 2015.

FIJI ELECTED TO PRESIDE OVER UNDP/UNFPA/UNOPS EXECUTIVE BOARD FOR 2014

Fiji's Permanent Representative to the United Nations His Excellency Peter Thomson was elected as the President of the Executive Board of the United Nations Development Programme (UNDP), United Nations Population Fund (UNFPA) and the United Nations Office for Project Services (UNOPS) for the year 2014.

Fiji was chosen to chair one of the most important boards of the international system. This new responsibility comes after Fiji successfully carried out its role as chair of the Group of 77 and China in 2013. The Executive Board consists of 36 UN Member States who sit on the Board for three year periods. Fiji commenced its three-year term on the Board in 2013, and was endorsed by the Asia-Pacific Group to be its candidate for the Presidency of the Board for the year 2014.

Minister Kubuabola highlighted that the work of the Executive Board in making policy decisions and giving direction to the three agencies, UNDP, UNFPA and UNOPS, is fundamental to shaping the developmental work that the UN carries out in developing countries. As such, he said, presiding over the work of the Executive Board for 2014 will be a natural follow-on for Fiji from its 2013 role as Chair of the Group of 77 and China, the primary role of which was advocating for the interests of developing countries. Fiji's Presidency of the Board will seek to apply the knowledge gained from the G77 Chairmanship into operational action for the funds and programmes that the Board governs.

Fiji's takes its responsibilities in the international community as a matter of high priority.

FIJI AND THE UK SIGN AGREEMENT FOR THE EMPLOYMENT OF DIPLOMATIC SPOUSES

Fiji and the United Kingdom of Great Britain and Northern Ireland on June 26th agreed to mutually allow spouses and dependents of diplomatic and consular mission staff to engage in gainful occupation.

This is after the UK High Commissioner to Fiji, His Excellency Roderick Drummond, and Ministry of Foreign Affairs and International Cooperation permanent secretary, Mr. Amena Yauvoli, signed an agreement formalizing this milestone decision.

The agreement will facilitate the spouse and dependents to find meaningful employment and helps address the immigration rules on work permits that had restricted them from working previously.

VISIT OF JULIE BISHOP, FOREIGN MINISTER OF AUSTRALIA



The first bilateral visit by an Australian Foreign Minister to Fiji since 2008 and the first Foreign Minister to visit and meet with representatives the democratically elected Fiji Government, Minister Julie Bishop's two day visit from 31st October signaled a milestone in the new Fiji-Australia bilateral relationship. Upon her arrival, Minister Bishop first met with Prime Minister before proceeding to a bilateral meeting with Minister Kubuabola. In a joint statement the Foreign Ministers established the way forward to begin a new era of relationship.

The two Ministers announced the exchange of High Commissioners. Subsequently, Mrs. Margaret Twomey was appointed Australian High Commissioner to Fiji, while Fiji is in the process to name its High Commissioner to Australia. Australia and Fiji agreed to also establish regular bilateral senior officials talks, which will allow both sides the opportunity to work together to address global security challenges, regional issues, and strengthen the bilateral trade and investment relationships.

MOA – FIJI-TUVALU VOLUNTEERS

The Memorandum of Agreement regarding the Fiji Volunteers' Scheme was officially signed by the Prime Minister of Tuvalu and the Acting Prime Minister of Fiji this year. The signing of this Agreement is part of the Development Cooperation Agreement which was signed at Natadola in 2010. The Government of Tuvalu is grateful for the assistance provided by the Fijian Government for assisting in improving the education standards in the Pacific Region.

EDUCATION MOA FIJI-VANUATU

The Roving Ambassador's division facilitated the signing of the MOA on Education Cooperation with Vanuatu on August 8th at MOE HQ. The MOA was signed by the Acting Permanent Secretary for Education and the High Commissioner of Vanuatu. Vanuatu is the first PIC to sign the MOA on education which was implemented in 2013 and currently assists 3 PICs; Vanuatu, Solomon Islands and Tuvalu. This MOA formalizes assistance to PIC Government sponsored students attending FNU with a 50% rebate in tuition fees.

SOUTH-SOUTH TRIANGULAR COOPERATION

The South-South Triangular Cooperation project was officially announced during the PIDF Meeting in Nadi in which JICA will fund an initiative with the Fiji Government (PSC and the Ministry of Foreign

Affairs). The project will focus on capacity building for Tuvalu and Kiribati civil servants, before it is expanded to other PICs.

3rd INTERNATIONAL SIDS CONFERENCE

The 3rd International Conference of Small Island States was convened in Apia, Samoa from 1 - 4 September following long preparations at the Permanent Mission of Fiji in New York. Fiji was represented at the Conference by a delegation led by the Permanent Secretary for Strategic Planning, National Development and Statistics, Pita Wise, and included Deputy Secretary Foreign Affairs, Luke Daunivalu, government officials and representatives from non-government organizations and civil society groups. The overarching theme for the conference was, "The sustainable development of Small Island Developing States through genuine and durable partnerships".

The conference was a great success and it provided countries with a strong platform to build on their bilateral relations and to further liaise with a number of stakeholders to build on further strengthening partnerships. Holding true to the conference theme, the Fiji delegation met with a number of countries for bilateral talks including Seychelles, Germany, Thailand, Switzerland, Morocco and many more. During the conference, Fiji along with a number of other SIDS countries signed the SIDS DOCK Statute, initiated as a SIDS-SIDS initiative for sustainable energy and climate resilience.

The SIDS Accelerated Modalities of Action (SAMOA) Pathway was adopted during the Conference having had its details finalized earlier in New York. This document addresses key development priority issues for Fiji and other SIDS, in the areas of climate change, oceans and seas, disaster risk reduction, water and sanitation, trade, food security and also indicates the proposed means of implementation. After the meeting in Apia, the Economic and Social Council is to meet with Member States on 1 October to lay the platform for the implementation of the SAMOA Pathway.

PRESENTATION OF CREDENTIALS TO THE PRESIDENT OF THE SWISS FEDERATION



On the 10th November the Ambassador Khan presented her credentials to the President of the Swiss Federation.

The President accepted the credentials, and congratulated the Ambassador Khan on Fiji's new Constitution, the success of the September elections and commended Fiji on its successful Universal Periodic Review.

Output 4: Promotion of Economic and Public Diplomacy

PROPOSED SOLAR ENERGY PROJECT



The Fiji Mission in Korea has been playing a pivotal role in bringing to Fiji its first solar farm. Astronergy Solar Korea Limited is interested in solar energy project in Fiji. Accompanied by Fiji's Ambassador to Korea, the representatives of the company visited Fiji and conducted preliminary discussions with relevant agencies including, investment Fiji, Department of Energy, Commerce Commission, and FEA. The pilot project is expected to take place in Nadi. The company has already applied for a lease with TLTB which is currently being processed. Astronergy and the Mission will continue to work together to get the necessary processes completed to land this project in Fiji.

GIMCO

After more than a year of serious dialogue and negotiations, the Fiji Mission to the Republic of Korea under the leadership of Ambassador Kau managed to land in Fiji an investment venture by Korean renewable energy company GIMCO Co. Ltd which has finally planted itself in Fiji through a partnership with Tropik Wood Industries Limited to start a 10 megawatt biomass energy plant. The ground breaking ceremony for the US\$35 Million plant was held in Navutu in Nadroga and was officiated by the Minister for Agriculture, Fisheries & Forests Colonel Inia Seruiratu on Monday 18th August, 2014. This facility would assist in reducing Fiji's reliance on imported fossil fuels. As a small island vulnerable nation, the high fossil prices have had a significant impact on our macroeconomic fundamentals over the past three years. The company is also embarking on its reforestation project to go hand in hand with its biomass plant. The plant is due to open for operation in 2018 and is expected to generate over 200 jobs in the local economy. The landing of this project is one of the biggest achievements by the Fiji Mission in Korea for the year 2014.

HC MARA NAMED HONORARY MAYOR OF HUNTSVILLE



Fiji's High Commission in England etched Fiji's profile positively when he was recognized for his community outreach programme. High Commissioner, Solo Mara was accorded the position of Honorary Mayor of Huntsville, Richmond. This is also in recognition of positive impact our

Fijian Diaspora community are beginning to make within the wider British society. To date, the High Commissioner has helped established a charitable NGO- **Community Fiji-Britain**, which is assisting the British Army focused Fiji support Network in thin providing support to our nationals leaving the British army in the current redundancy programme.

Output 5: Facilitation of Official Development Aid

FACILITATIONS FOR DONATIONS TO FIJI

During 2014, The Fiji Consulate in Sydney and the Fiji High Commission (Canberra) liaised and participated with the Fijian Diaspora, Friends of Fiji and the business communities in relation to the various charities and fund raising activities throughout NSW. One to one contacts were established for in kind contributions. Some donor travelled to Fiji with their donations. Examples of these include:

- Donated Medical Equipment – Westmead Hospital (DrRaghwa Sharma) – Laboratory Equipment (Microtome, Embedding Station, Water Bath, Florescent Microscope)
 - Donated Medical Items – Beecroft Rotary Club (Mr Ilyas Yaseen) – Hospital linen, bath chairs, ward medicine cabinets
 - Donated Medical Equipment – Carabez Alliance (Ms Bronwyn Carabez) - Hearing Aids/Table Consoles)
 - Donated Medical Items – Nipro Australia (Mr Ilyas Yaseen) – Medical Dialysers;
- For the month of November, the following materials were earmarked for donation to Fiji:
- Donated Educational Resources – Love, Give, Share (South Pacific) (Ms Geri Rea) – Seven Pallets plus
 - Donated Armchairs (2) for Dialysis – Ms Sue Nand
 - Educational Resource Material – Mr Steven Jeremy (Men in Skirts Kayak Fundraiser)

The Fiji Missions in Australia will continue to work with willing charitable organisations, diaspora community and shipping agencies to facilitate the passage of donated goods, alleviating poverty in Fiji.

NATОВI JETTY – USD \$1 Million FEASIBILITY STUDY

Through advocacy and negotiations, the Fiji Embassy in Seoul has secured funding from the ROK Government for the feasibility study of the proposed Natovi multipurpose Fishing port. Work is expected to begin early 2015. The proposed Natovi Port is an attempt to put in place a concept similar to that of fishing town of fisherman’s town which would provide key services such as ice plant, slipway, maintenance and repair services, refueling stations and a fish market for both marine and aquaculture systems and landing and offloading sites. In December, a team from the Korean Ministry of Oceans and Fisheries were in Fiji to have discussions and site visit for the proposed Natovi jetty project. The team had meetings with the Ministry of Finance and Strategic Planning and also the Ministry of Fisheries regarding the project as well as the discussions on a draft MOU for the project. The MOU will be formalized in 2015 before the feasibility study is undertaken by the designated consulting company.

UAE MISSION SECURES FUNDING FOR FEASIBILITY STUDY –SAVUSAVU WATER SUPPLY & SEWERAGE TREATMENT

Kuwait Technical Assistance Savusavu Water Supply and Sewerage Project

The Kuwait Fund has approved a Technical Assistance in the amount of KD 150,000 to carry out the preparation of a Techno-Economic Feasibility Study and Preliminary Engineering Design for Savusavu Water Supply and Sewerages Systems Project. The studies will be undertaken by the qualified and experienced International Consultants in association with a Kuwaiti and a Local consultant.

MISSION EFFORTS LANDS STATE OF THE ART CARDIAC AMBULANCE IN FIJI

Through the effort of the Fiji Embassy in UAE, the Ministry of Health & Medical Services will now be able to further boost its health service delivery with the purchase of a new Cardiac Ambulance. This has been made possible through a USD128, 000 grant received from the Turkish Government. This Ambulance will be the first fully equipped cardiac ambulance for Fiji. This is no ordinary ambulance as it will have all equipment's in built including the machine for resuscitation.

The Ministry of Health & Medical Services is very grateful to the Turkish Government for this timely grant and it has thanked the Embassy for initiating this grant proposal and promoting it aggressively with the Turkey International Development Authority (TIKA).

EDUCATION/SCHOLARSHIPS/TRAININGS

Through its diplomatic missions abroad the Ministry continues to secure, scholarships, and training opportunities for Fijians. The Fiji High Commission in Malaysia and the Ministry's International Cooperation division continues to facilitate training opportunities for civil servants under the Malaysian Training Cooperation Programme and the Malaysian Defence program for Military personnel.

This year, the Fiji Mission in India managed to increase the number of scholarships for Fijians from 25 to 30 under the ICCR Scheme. The number of scholarships under this scheme will double after this was announced by Prime Minister Narendra Modi when visiting Fiji in November. The Mission also managed to secure 5 Scholarships from the Government of Sri Lanka for Fiji citizens to study at some of Sri Lanka's top universities.

Output 7: Provision of Protocol and Consular Services

PROTOCOL TRAINING COURSE FOR PUBLIC SERVANTS

Training for public servants was held from July 23-25, with the objective to strengthen protocol knowledge and skills. Fiji's Ambassador to Tokyo, Japan, made a presentation on the Fiji Diplomatic Privileges and Immunity Act.



Participants at the Protocol Training Course held at CTD from 23 – 25 July

FACILITATION ACTIVITIES – REGISTRATION OF VOTERS FOR THE 2014 GENERAL ELECTIONS



Fijians in Geraldton, Australia register to vote

Several Fiji Missions abroad namely in Canberra, Sydney, Washington and Wellington facilitated the registration of Fijians residing overseas for the 2014 General Elections. These missions are in areas of the world with a huge Fijian Diaspora.

B. OUTCOME 32: ENVIRONMENTAL SUSTAINABILITY

Output 6: Effective Management of Climate Change

FIJI CHAIRS UNFCCC SUBSIDIARY BODY MEETINGS

Permanent Secretary Amena Yauvoli, in June took up the vital role as Chair for the Subsidiary Body of Implementation (SBI) of the UNFCCC, the UN body that looks after Climate Change. The SBI is one of the two bodies of the United Nations Framework Convention for Climate Change, the other one being Subsidiary Body for Science and Technological Advice (SBSTA).



The SBI is charged with implementation of work under the UNFCCC.

Climate change negotiations were held under Fiji's Chairmanship in Bonn, Germany encompassing the 40th sessions of the subsidiary bodies SBI and SBSTA, as well as the resumed second session of the Ad Hoc Working Group on the Durban Platform for Enhanced Action (ADP).

The Fiji delegation to the meeting included Climate Change director, Dr. Mahendra Kumar; Disaster Management Office director, Manasa Tagicakibau; Conservator of Forest, Samuel Lagitaki; Deputy Conservator, Eliko Senivasa and Manasa Katonivaliku and Joteshna Zenos from the Climate Change Division.

In his opening statement, Mr Yauvoli appealed for the cooperation of all Parties in going through the key items on the SBI agenda so that they are strongly placed to take key decisions and provide a solid basis for the Conference of Parties (COP) meeting in Paris in 2015. Countries are being urged to take bold measures and ambitious targets to reduce emissions and ensure that the temperature rise remains below 2 degrees Celsius.

FIJI ELECTED TO TOP UNFCCC POSTS

Fiji is in a better place to influence Climate Change issues, as it was re-elected as chair of the SBI in December. In a show of support and endorsement for his leadership Chair of the UNFCCC Subsidiary Body of Implementation (SBI), Permanent Secretary Amena Yauvoli, was re-elected as Chair for another year. Mr. Luke Daunivalu, Deputy Secretary (Policy) of Foreign Affairs was re-elected as the representative of the 43 member SIDS to the Adaptation Committee for a further two year term. This



committee was launched in 2011 to address the critical issues of adaptation to the adverse impacts of climate change. The Committee's main role is to promote the implementation of enhanced action on adaptation in a coherent manner under the Convention.

In addition to these two appointments, Mr. Samiuela Lagitaki, Conservator of Forests, was elected as the alternate member of the Adaptation Fund board. He replaces the late Ambassador Peceli Vocea. The Adaptation Fund was established in 2001 to finance

concrete adaptation projects and programmes in developing country Parties to the Kyoto Protocol that are particularly vulnerable to the adverse effects of climate change. The Ministry is proud of this achievement and will continue to influence Climate Change issues at the highest level.

LIMA COP 20

Three officers of CCD, Director Dr. Mahendra Kumar, Manasa Katonivualiku and JoeteshnaZenos spent two and a half weeks in Lima Peru to attend the Conference of the Parties (COP 20) negotiations. The COP 20 meeting convened from the 1st-12th of December however pre-COP meetings like the Pacific Preparatory meeting and the Pre –sessional meetings for Small Islands Developing States [SIDS] and Group of G77 and China were held from November 26th-30th in Lima, Peru. A delegation of 15 government and non-government officials were part of Fiji’s delegation to ensure that our interests were protected and that we follow the progress of the negotiations.

Permanent Secretary Mr. Amena Yauvoli headed the delegation. CCD staff provided technical support back here at the office during this two and a half week long negotiation.

At the negotiations, nations concluded by elaborating the elements of the new agreement, scheduled to be agreed in Paris in late 2015, while also agreeing the ground rules on how all countries can submit contributions to the new agreement during the first quarter of next year. These Intended Nationally Determined Contributions (INDCs) will form the foundation for climate action post 2020 when the new agreement is set to come into effect. During the two week 20th Conference of the Parties, countries also made significant progress in elevating adaptation onto the same level as action to cut and curb emissions.

47th GLOBAL ENVIRONMENT FACILITY (GEF) COUNCIL MEETING

The 47th Meeting of GEF Council was held in Washington D.C from Oct. 27th-30th. During this meeting, Fiji’s Ambassador to USA was elected as Co-Chair for the meeting. Fiji is also a member of the Selection Review Committee (SRC) which appoints and monitors the performance of the GEF-CEO and the Director of the Independent Evaluation Office. Since joining GEF, Fiji has received grants totaling US\$2,745,575 that leveraged US\$2,400,000 in co-financing for seven national projects. These include three projects in biodiversity, two in climate change, one in multi focal area, and one in persistent organic pollutants.

CHAIRMANSHIP ON THE FIRST COMMITTEE -2ND CYCLE OF IRENA/ ADFD FUNDING PROJECT

On June 2nd, Fiji’s Ambassador to Abu Dhabi, UAE, Robin Nair, presented the outcomes of the two meetings conducted by the First Secretary as Chairman of the First Committee on the 2nd Cycle of the IRENA/ADFD Funding project. The Ambassador presented the outcomes within the margins of the 7th IRENA Council Meeting. The First Committee consisted of Fiji as Chair, Sierra Leone as the other full member, while France and the Republic of South Africa were alternates.

CLIMATE CHANGE DIVISION'S PARTICIPATION AT 2014 HIBISCUS CARNIVAL



The Climate Change Division for the past three years have been taking advantage of the hugely popular annual Hibiscus festival to create awareness on the important and concerning issue of climate change. This year's hibiscus festival was unique to the division as the theme of the festival was 'Climate change affecting Human Lives'. The Division was involved with the Hibiscus Events Committee from the very beginning where the Director, Climate Change and Joeteshna Zenos represented the Division at several events throughout the week before Hibiscus, notably as Chief Guest at the Launch of Hibiscus and at the public judging for best research and presentation.

The Permanent Secretary was the Chief Guest at a pre- Hibiscus cocktail.

CCD prepared fun-filled activities for children like climate change quizzes and games, giveaways and screening of climate change videos and most of all, the display of variety of climate change awareness materials. The booth drew a wide range of people from all walks of life. The team together with partner NGOs worked together managing the booth throughout the week- long event. NGOs that assisted at the booth and also provided awareness materials were SPC/GIZ, WWF and FNU. Other partner NGOs that were not present physically but provided CCD with awareness materials were Live and Learn and PACE-SD.



2014 CLIMATE CHANGE CPEIR REVIEW

The Climate change Division was part of the 2014 CPEIR Review Team. The CPEIR provides a comprehensive and balanced analysis of Fiji's Disaster Management and Climate Change Expenditure streams. It calls for better synergies throughout Fiji's Government, private sector and NGOs

NATIONAL SUMMIT ON GREEN GROWTH FRAMEWORK FOR FIJI

The “National Summit on Green Growth Framework for Fiji” was held from 12th to 13th June, 2014 at the Novotel Hotel, Lami, Suva. The theme for the Summit was **“Restoring the Balance in Development that is Sustainable for Our Future”**. The Summit brought together all national stakeholder groups, regional and international stakeholder groups, regional and international development partners to refine and seek consensus on the draft framework prior to its submission to cabinet for endorsement.

FIJI NATIONAL PLATFORM FOR DISASTER RISK MANAGEMENT AND CLIMATE CHANGE

The Climate Change division and NDMO jointly hosted this meeting from August 19th-22nd. This was the first forum in which both CC and DRM issues were discussed. The purpose of this platform is intended to discuss, identify gaps and propose a way forward to strengthen disaster risk management and climate change in the country. The platform is the springboard to strengthen disaster risk management policy for the country and an opportunity to explore further the integration of DRM and Climate change.

CABINET ENDORSES FIJI’S SECOND NATIONAL COMMUNICATION (SNC) TO THE UNFCCC

Fiji ratified the United Nations Framework Convention on Climate Change (UNFCCC) in 1993, and thus became legally obligated to adopt and implement policies and measures to mitigate the effects of climate change and to adapt to such changes. The Second National Communications (SNC) to the UNFCCC follows and builds on the Initial National Communication (INC) submitted in 2005, and has been prepared in fulfillment of Fiji’s obligations to the UNFCCC under Articles 4 and 12. SNC follows the UNFCCC guidelines and includes information on Fiji’s Greenhouse Gas Inventory in 2004 because of the unavailability of data for the year 2000. The document also includes measures to mitigate emissions and adapt to climate change in key sectors. The SNC project was executed by the Climate Change Unit under the Ministry of Foreign Affairs and International Cooperation, implemented by United Nations Environment Program (UNEP) and funded by the Global Environment Facility (GEF). This document was endorsed by cabinet on July 29th and acknowledged by the UNFCCC on August 5th.

SOLARISATION AND RELOCATION FUNDS

The Climate Change Division secured funding of \$1.4 million for the solarisation of selected islands in Lau and schools in Yasawas and also for the relocation of Narikoso village in Kadavu and Waciwaci School in Lau. Fiji successfully secured the funding for these projects under the ACSE programme.

FIJI / KOREA GREEN SYMPOSIUM

The first Fiji-Korea green symposium was held in early July, wherein stakeholders from both the private and public sectors were in attendance for a day at the Holiday Inn. With the theme, *“Symposium on Exploring Korean Contributions to the Blue-Green Economy of the Pacific Region: Earth and Marine Sciences & Business Opportunities*, the symposium explored how the blue green economy (sustainable

and inclusive development of earth and ocean resources) could be achieved through sustainable development of Ocean and land resources and environments and this could contribute to essential Pacific development goals such as: wealth creation; high quality employment; generation of affordable and accessible sustainable energy; development of infrastructure and the improvement of quality of life and livelihoods of Pacific Islanders.

GGGI Office to Open in Fiji

At a meeting held at the Fiji Embassy in Seoul, the GGGI Regional Director for SE Asia and Pacific Mr Imran confirmed that they are going to establish an office in Fiji next year. This decision was made based on Fiji's commitment and support to GGGI during the year and also after their successful mission to Fiji in October. The Mission has also informed that GGGI is currently preparing a draft MOU and Host Country Agreement (HCA) which they will forward to the Ministry of Foreign Affairs for checking before it is endorsed.

OBITUARY – THE LATE PECELI VOCEA – AMBASSADOR OF THE REPUBLIC OF FIJI TO THE EUROPEAN UNION, BELGIUM AND THE NETHERLANDS



In June, the Ministry lost one its most distinguished diplomats, who also served formerly as its Permanent Secretary. Ambassador Peceli Vocea, Fiji's Ambassador to the European Union and the Kingdom of Belgium passed away while serving at post at the age of 46. Ambassador Vocea was serving his second term in office as Fiji's representative to the EU and Belgium, an appointment he has held since 2009.

During a remarkable career in Fiji's civil service spanning 23 years which included a two year World Bank assignment in Washington, Ambassador Vocea served as Permanent Secretary for Finance and National Planning, Permanent Secretary for Foreign Affairs, International Cooperation and Civil Aviation among key civil service appointments. He also served as a director on the boards of the Reserve Bank of Fiji, Fiji Revenue and Customs Authority and Fiji Islands Trade and Investment Board.

The late Ambassador obtained his BSc in Statistics at the University of Canterbury, NZ, a Post-graduate Diploma in Economics of Development at the Australian National University, Australia and a Master of Commerce Degree in Economics and Econometrics from the University of New South Wales, Australia.

The late Ambassador's demise is a profound loss to the Ministry and to Fiji. He was diplomatic interlocutor and strong advocate of not only Fiji's interests but also of the SIDS in Brussels.

He is survived by his wife, Ms Vasiti and five children. Ambassador Vocea was also a well-known sports enthusiast having represented Suva and his QVSOB club in rugby.

2014

Audited Financial

Statements

OFFICE OF THE AUDITOR GENERAL

Excellence in Public Sector Auditing



6-8TH Floor, Ratu Sukuna House
2-10 McArthur St
P.O.Box 2214, Government Buildings
Suva, Fiji



Telephone: (679) 330 9032
Fax: (679) 330 3812
Email: info@auditorgeneral.gov.fj
Website: <http://www.oag.gov.fj>



File: 347

29 May 2015

The Minister
Ministry of Foreign Affairs and International Co-operation
P. O. Box 2220
Government Buildings
SUVA.

Dear Sir

AUDITED FINANCIAL STATEMENTS OF THE MINISTRY OF FOREIGN AFFAIRS AND INTERNATIONAL CO-OPERATION FOR THE YEAR ENDED 31 DECEMBER 2014

Audited Financial Statements for the Ministry of Foreign Affairs and International Co-operation for the year ended 31 December 2014 together with my audit report on them are enclosed.

Particulars of errors and omissions arising from the audit have been forwarded to the Management of the Ministry for its action.

Yours sincerely

Atunaisa Nadakuitavuki
for AUDITOR-GENERAL

cc: Mr. Esala Nayasi, Acting Permanent Secretary for Foreign Affairs and International Cooperation.

Encl.

**MINISTRY OF FOREIGN AFFAIRS AND INTERNATIONAL
CO-OPERATION**

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2014

MINISTRY OF FOREIGN AFFAIRS AND INTERNATIONAL COOPERATION
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2014

TABLE OF CONTENTS

INDEPENDENT AUDIT REPORT	3
MANAGEMENT CERTIFICATE	5
STATEMENT OF RECEIPTS AND EXPENDITURE.....	6
APPROPRIATION STATEMENT	7
STATEMENT OF LOSSES	8
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS	9

OFFICE OF THE AUDITOR GENERAL

Excellence in Public Sector Auditing



6-8TH Floor, Ratu Sukuna House
2-10 McArthur St
P.O.Box 2214, Government Buildings
Suva, Fiji



Telephone: (679) 330 9032
Fax: (679) 330 3812
Email: info@auditorgeneral.gov.fj
Website: <http://www.oag.gov.fj>



MINISTRY OF FOREIGN AFFAIRS AND INTERNATIONAL COOPERATION FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2014

INDEPENDENT AUDIT REPORT

Scope

I have audited the special purpose financial statements which have been prepared under the cash basis of accounting and notes 1 to 3, thereon of the Ministry of Foreign Affairs and International Cooperation for the year ended 31 December 2014. The financial statements comprise the following:

- (i) Statement of Receipts and Expenditure;
- (ii) Appropriation Statement; and
- (iii) Statement of Losses;

The Ministry of Foreign Affairs and International Cooperation is responsible for the preparation and presentation of the special purpose financial statements and the information contained therein.

My responsibility is to express an opinion on these special purpose financial statements based on my audit.

My audit was conducted in accordance with the International Standards on Auditing to provide reasonable assurance as to whether the special purpose financial statements are free of material misstatements. My audit procedures included examination, on a test basis, of evidence supporting the amounts and other disclosures in the special purpose financial statements and evaluation of accounting policies. These procedures have been undertaken to form an opinion as to whether, in all material respects, the special purpose financial statements are fairly stated and in accordance with government policies in Note 2, the Audit Act and the Financial Management Act 2004, so as to present a view which is consistent with my understanding of the financial performance of the Ministry of Foreign Affairs and International Cooperation for the year ended 31 December 2014.

The audit opinion expressed in this report has been formed on the above basis.


Qualification

The board of survey were not carried out for eleven (11) of Fiji Mission overseas from the total of eighteen (18) mission overseas office contrary to section 49 (1) of the Finance Instructions 2010. As such the completeness and accuracy of the statement of losses cannot be ascertained.

Audit Opinion

In my opinion, except for the matters referred in the qualification paragraphs:

- (a) the financial statements present fairly, in accordance with the accounting policies stated in Note 2, the financial performance of the Ministry of Foreign Affairs and International Cooperation for the year ended 31 December 2014.
- (b) The financial statements give the information required by the Financial Management Act 2004 in the manner so required.



Atunaisa Nadakuitavuki
for **AUDITOR GENERAL**

Suva, Fiji
29 May 2015




MINISTRY OF FOREIGN AFFAIRS AND INTERNATIONAL COOPERATION
MANAGEMENT CERTIFICATE


FOR THE YEAR ENDED 31 DECEMBER 2014

We certify that these financial statements:

- (a) fairly reflect the financial performance of the Ministry of Foreign Affairs and International Cooperation for 2014; and
- (b) have been prepared in accordance with the requirements of the Financial Management Act 2004 and the Finance Instructions 2010.



Mr. Esala Nayasi
Acting Permanent Secretary for Foreign
Affairs & International Cooperation



Mrs. Merini Cama
Principal Accounts Officer

Date: 29/5/2015

Date: 29/05/2015

MINISTRY OF FOREIGN AFFAIRS AND INTERNATIONAL COOPERATION
 STATEMENT OF RECEIPTS AND EXPENDITURE
 FOR THE YEAR ENDED 31 DECEMBER 2014

	Notes	2014 \$	2013 \$
RECEIPTS			
State Revenue			
Operating Revenue	3 (a)	182,967	30,471
Total State Revenue		182,967	30,471
Agency Revenue			
Miscellaneous Revenue	3 (b)	333,355	429
Total Agency Revenue		333,355	429
TOTAL RECEIPTS		516,322	30,900
EXPENDITURE			
Operating Expenditure			
Established Staff	3 (c)	11,347,421	9,822,318
Government Wage Earners	3 (d)	3,428,192	2,879,876
Travel & Communication	3 (e)	3,327,378	2,722,716
Maintenance & Operations		9,753,047	9,049,054
Purchase of Goods & Services		591,447	596,106
Operating Grants & Transfers	3 (f)	3,195,835	2,707,793
Special Expenditure		4,778,708	4,417,349
Total Operating Expenditure		36,422,028	32,195,212
Capital Expenditure			
Construction	3 (g)	224,215	145,383
Purchases	3 (h)	222,851	191,171
Total Capital Expenditure		447,066	336,554
Value Added Tax	3 (i)	2,501,434	2,338,378
TOTAL EXPENDITURE		39,370,528	34,870,144

MINISTRY OF FOREIGN AFFAIRS AND INTERNATIONAL COOPERATION
 APPROPRIATION STATEMENT
 FOR THE YEAR ENDED 31 DECEMBER 2014

SEG	Item	Budget Estimate (\$)	Changes (\$)	Revised Estimate (\$)	Actual Expenditure (\$)	Carry Over (\$)	Lapsed Appropriation (\$)
1	Established Staff	12,242,911	(930,906)	11,312,005	11,347,421	---	(35,416)
2	Government Wage Earners	3,531,941	(222,384)	3,309,557	3,428,192	---	(118,635)
3	Travel & Communication	1,663,564	1,676,313	3,339,877	3,327,378	---	12,499
4	Maintenance & Operations	10,282,027	(354,219)	9,927,808	9,753,047	---	174,761
5	Purchase of Goods & Services	700,902	98,714	799,616	591,447	---	208,169
6	Operating Grants & Transfers	3,344,523	(145,759)	3,198,764	3,195,835	---	2,929
7	Special Expenditure	5,085,900	(29,998)	5,055,902	4,778,708	---	277,194
	Total Operating Costs	36,851,768	91,761	36,943,529	36,422,028	---	521,502
	Capital Expenditure						
8	Construction	300,000	---	300,000	224,215	---	75,785
9	Purchase	280,953	(29,308)	251,645	222,851	---	28,794
	Total Capital Expenditure	580,953	(29,308)	551,645	447,066	---	104,579
13	Value Added Tax	2,747,000	(62,453)	2,684,547	2,501,434	---	183,113
	TOTAL EXPENDITURE	40,179,721	---	40,179,721	39,370,528	---	809,193

**MINISTRY OF FOREIGN AFFAIRS AND INTERNATIONAL COOPERATION
STATEMENT OF LOSSES
FOR THE YEAR ENDED 31 DECEMBER 2014**

Loss of Money

There was no Loss of money recorded for the year ended 31 December 2014.

Loss of Revenue

There was no Loss of revenue recorded for the year ended 31 December 2014.

Loss of Fixed Assets

There was no loss of fixed asset recorded for the year 2014. However, the following items worth \$123,914 were written off, following the Ministry's and Overseas Mission's Board of Survey for the year ended 31 December 2014.

Mis-ion	Amount (\$)
Head Quarters	37,350
Canberra	10,502
Indonesia	1,373
New Delhi	33,772
PNG	13,751
South Africa	724
Sydney	13,672
Tokyo	12,770
Total	123,914

MINISTRY OF FOREIGN AFFAIRS AND INTERNATIONAL COOPERATION
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2014

NOTE 1: REPORTING ENTITY

The role of the Ministry of Foreign Affairs and International Cooperation is to lead the formulation and conduct of Fiji's Foreign Policy and serves as the regular intermediary between the state and foreign countries. This role focuses on the discharging of Fiji's Foreign policy to promote, advance and protect our national interest abroad in all sectors.

More precisely this includes: (1) Developing and maintaining cordial bilateral relations with many countries as possible, but focusing on those which offer greatest opportunity/advantage, in particular in economic terms (markets, investment, inbound tourism and development assistance; (2) Working closely with like-minded countries and also intergovernmental organization in pursuing wider issues which have a national bearing, such as the special need of small island developing states; (3) Securing maximum benefit at least possible cost from intergovernmental organization, in particular of those Fiji is a member; (4) Contributing towards a more open world trading system; (5) Participating in initiative directed at international and regional peace and security; (6) Accessing skill, technologies and experience relevant to national development, and (7) Providing consular services to Fiji's citizen and intending visitors.

NOTE 2: STATEMENT OF ACCOUNTING POLICIES

(a) Basis of Accounting / Presentation

In accordance with Government accounting policies, the financial statements of the Ministry is prepared under the 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 and the requirements of Section 71(1) of the Finance Instruction 2010. The preparation and presentation of a Statement of Assets and Liabilities is not required under the current Government policies.

(b) Accounting for Value Added Tax (VAT)

All expenses and revenue are VAT exclusive. The Ministry on a monthly basis takes out VAT output on total money received for expenditure from Ministry of Finance. VAT input on the other hand is claimed on payments made to the suppliers and the sub-contractors for expenses incurred.

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

(c) Revenue Recognition

Revenue is recognised when cash is actually received by the Ministry.

MINISTRY OF FOREIGN AFFAIRS AND INTERNATIONAL COOPERATION
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS (continued..)
FOR THE YEAR ENDED 31 DECEMBER 2014

(d) Comparative Figures

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

NOTE 3: SIGNIFICANT VARIATIONS

- (a) The increase in operating revenue by \$152,496 or by 500% in 2014 compared to 2013 was due to increase in Over Payment Recovery (OPR) for advances, interests, rent arrears, commission chargers for wages and refunds.
- (b) The miscellaneous revenue increased by \$332,926 or by 77,605% in 2014 compared to 2013. These consist of funds received from Development Partners now received and receipt by the Ministry which used to be collection and receipted by Aid Unit of the Ministry of Finance (MOF). Much of these increase in 2014 (81%) consisted of donations made by the Embassy of China in Fiji towards the Chinese President visit to Fiji in November of 2014.
- (c) The established staff costs increased by \$ 1,525,103 or 16% compared to 2014. This was mainly due to the upgrade of post allowance for five (5) of the overseas missions that were almost below poverty line at their host country and also to the inclusion of post allowance provision for the newly established Geneva Mission in Switzerland and the Consul General Office in Shanghai. The increase was also attributed to the payment of personnel entitlements as a result of changes in employment contracts due to promotion, payment of leave compensation and arrears on promotion.
- (d) The increase was attributed to the payment of personnel entitlements as a result of changes in employment contracts due to promotion, payment of leave compensation and arrears on promotion.
- (e) The increase in Travel & Communications expenditure by \$604,662 or 22% was due to the increase in travel and communication cost for the Ministry officials domestically and international to fully execute the expected or required results for the Ministry such as expanding and strengthening Fiji's diplomatic relations. Whilst 80% of the budget is for Missions abroad, together with continued strengthening of USD, AUSD and other currency demand more money supply to cater for the expenditure incurred thus the increase in expenditure. PSC decision to pay per diem and incidental payments for funded and training trip also contributed to the increase.
- (f) The Operating Grants & Transfers increased by \$488,042 or 18% compared to 2013 was a direct result of increase in budget provision for Fiji government Contributions to regional and international organisations due to increase contributions rates in 2014. Also as USD, AUSD and other currency continues to strengthen, this has drastic effect as more money supply are required to cater for the expenditure incurred, thus the increase in expenditure.

MINISTRY OF FOREIGN AFFAIRS AND INTERNATIONAL COOPERATION
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS (continued..)
FOR THE YEAR ENDED 31 DECEMBER 2014

- (g) The capital construction expenditure increased by \$78,832 or 54% was due to the repairs and refurbishments carried out at some of our Missions abroad namely FHC London, FHC Wellington, FE Abhu Dhabi and FHC New Delhi.
- (h) The capital purchase expenditure increased by \$31,680 or 17% was due to new items approved for purchases in 2014 for the new car for FHC New Delhi and Jarkata. The increase was also attributed to replacement items that were purchased for Canberra and Brazil Office.
- (i) The VAT Expenditures increased by \$163,056 or 7% in 2014 compared to 2013 due to anticipated increase in expenditures.

