

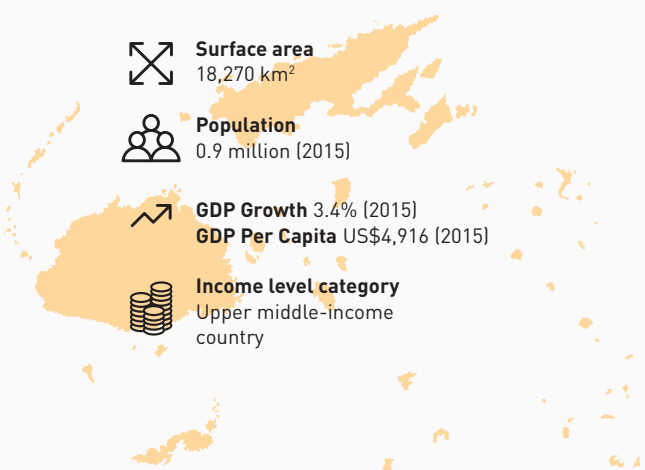
## 1. Country Context

Considered an economic and logistical hub for the Pacific Islands region, the Republic of Fiji is an archipelago of more than 330 islands, of which two concentrate 87% of its population of 892,145 (2015). Fiji hosts an upper middle-income economy that has experienced growth rates of 3% to 4% over the past seven years, leading to low unemployment, largely due to a booming tourism sector and sugar exports. The country was severely hit by category-5 Cyclone Winston in February 2016, with losses and damages amounting to an estimated 11% of GDP.

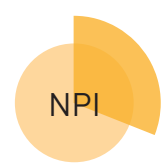
Fijians enjoy a medium human development and the archipelago ranks 90th among the 188 countries participating in the Human Development Index. The country has seen social progress especially in education, health and gender equality.

This year's monitoring survey covers development co-operation provided in 2015 totaling US\$66.6 million, to which Australia as the most important development partner contributed 79%. Foreign assistance is mainly focused on improving Fiji's public sector and governance, investing in agriculture, accelerating disaster prevention as well as supporting civil society and other non-state actors.

### Quick Facts



### Key Development Indices:

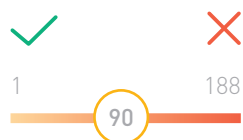


National Poverty Index  
31% of pop.  
(2014, ADB)



Official Development Assistance/Capital Formation  
12% (2014)

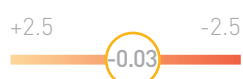
ODA per Capita US\$104 (2014)



Human Development Index (2014)  
(Best rank: Position 1)



Doing Business Rank (2015)  
(Best rank: Position 1)



Anti-corruption Index: -0.03 (2014)  
(Highest anti-corruption: +2.5)

### Inflows (% Gross Domestic Product)

LATEST YEAR AVAILABLE



### Key Development Challenges

Fiji has shown outstanding economic performance in the past years, which has translated into social improvements by generating jobs and strengthening the country's fiscal basis and potential to provide public services. The archipelago is also consolidating its democracy after the general election in 2014. For future sustainable development, rural poverty and widespread social inequality remain key challenges, along with the need for high-cost investments in infrastructure and energy. Fiji's high vulnerability to natural disaster has become painfully evident in the aftermath of Cyclone Winston and will require careful planning and prevention.

## 2. Efforts to Implement the Effectiveness Principles

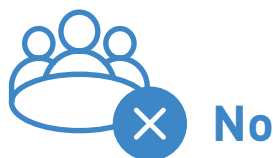
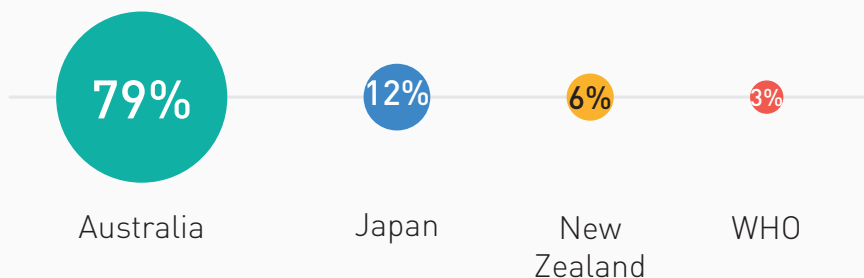
### A. Policies and Tools for Partners' Alignment

Development policies are currently being drafted in consultation with civil society, private sector and development partners, many of which are scaling up their engagement after the successful recovery of democracy. The new Fiji's 5-year and 20-year national development plans

(NDP) will focus on inclusive development and equal sharing of economic benefits by all citizens. The Green Growth Framework will be a filtering lens on future national policies and strategies. Development partners have expressed their strong interest in aligning to the new NDP and

related operational strategies and plans for priority sectors such as agriculture, disaster prevention, education and health. The new NDP will also be an opportunity to localize the Sustainable Development Goals (SDGs).

#### Major Development Partners of this Round (by Reported Disbursements)



**Participation in 2014 Monitoring**



**Existence of a National Co-operation Policy**

### B. Governance and Management of Development Finance and Co-operation

At this stage, coordination between the government and development co-operation partners primarily takes place at the respective bilateral levels. Collective mechanisms for high-level dialogue and technical coordination still need to be arranged, guided by the Development Partners Coordination Framework, currently being finalized. After contributing to the 2010 Survey on Monitoring the Paris Declaration, this is the first time that Fiji is participating in the survey of the Global Partnership while also re-engaging with the regional learning processes under the umbrella of the Pacific Islands Forum Secretariat (PIFS). Institutionally, official development finance management and coordination is led by the Ministry of Economy's ODA Unit, which

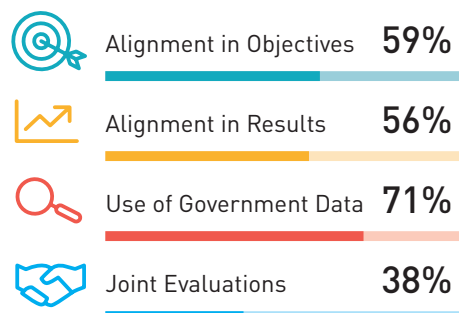
is currently preparing the coordination framework covering relations with development partners and the respective roles of civil society organizations and the private sector. Official development finance data is captured by the national Financial Management Information System (FMIS) covering all government sector appropriations and allocations. In the aftermath of Cyclone Winston, Fiji has received South-South humanitarian development finance from China and India, among other countries, which have been fully included in the government data, thereby showcasing the added value of the existing system. In the future, Fiji might also capture other finance, especially from domestic and international private sources.

## 3. Country Ownership

### Indicator 1: Partners' Alignment and Use of Country-Led Results Frameworks

In 2015, slightly more than half of development co-operation was aligned to country-led objectives (59%) and results (56%), mainly due to the prevalence of civil society support in the reported period. The Roadmap for Democracy and Sustainable Socio-Economic Development (RDSSSED) 2010-14 – which also framed sector and institutional plans – was used primarily to guide partner-financed programmes and projects. Seventy-one

percent of development co-operation used country-led monitoring systems, whereby development partners align focal areas of assistance to national priorities through the Roadmap and sector plans. This includes using country mechanisms to facilitate any assistance to be received. The government has taken a cautious approach to partner evaluations, participating in only 38% of project final evaluations.

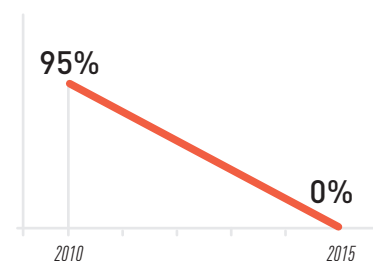


## Indicator 6. Development Co-operation is on Budget (Subject to Parliamentary Scrutiny)

In 2015, no development co-operation was recorded in the government budget, a sharp decline from 95% in 2010. Fiji has always been recording its development co-operation in the budget in particular from the major development partners New Zealand, Australia and

WHO, which also applies to the national budgetary documents in 2015. However, the government states that the EU and Japan do not record their assistance in the budget particularly due to their direct implementation modalities through the CSOs.

### Percentage on Budget



## Indicators 9 and 10. Use of Country Systems

Development co-operation reported in 2015 was channelled entirely outside the national public financial management systems. As a result of the political instability resolved only through the elections in September 2014, development partners opted for concentrating on technical assistance and support to non-

state actors, both mainly geared towards democratic transition. Building up on pre-coup experiences and considering the relative strength of Fiji's public sector, development partners will presumably expand the use of the country system to the extent that political trust is rebuilt, co-operation ties are renewed and the

new coordination framework is endorsed and implemented. Between 2013 and 2014, the proportion of untied official development finance increased from 53% to 76%, reflecting development partners' willingness to collaborate closely with the national public sector and its procedures.

|                                | Budget<br>(ideal: 100%) | Financial Reporting<br>(ideal: 100%) | Auditing<br>(ideal: 100%) | Procurement<br>(ideal: 100%) | CPIA*<br>(maximum: 6) | Untying<br>(ideal: 100%) |
|--------------------------------|-------------------------|--------------------------------------|---------------------------|------------------------------|-----------------------|--------------------------|
| <b>INDICATOR 9B.</b>           | <b>0%</b>               | <b>0%</b>                            | <b>0%</b>                 | <b>0%</b>                    |                       |                          |
| <b>INDICATORS 9A &amp; 10.</b> |                         |                                      |                           |                              | <b>N/A</b>            | <b>76%</b> ▲             |

\* Country Policy and Institutional Assessment

## 4. Inclusive Partnerships for Development

### Indicators 2 and 3. Fostering Inclusive Partnerships for Development

The recovery of democracy in Fiji has brought numerous opportunities for strong and lively ties between government and non-state actors, vividly reflected in the widespread consultations for the 5-year and 20-year national development plans. Civil society organizations (CSOs) and private sector companies welcome an enabling environment for them to contribute to sustainable development in Fiji. CSOs are organized through the Fiji Council of Social Services (FCOSS), which is also leading the adaptation of the Istanbul Principles for the national context. Efficient government-CSO coordination

was successfully piloted in the aftermath of Cyclone Winston, where the new NGO Disaster Coordination Centre coordinated and reported to the government's National Disaster Management Council, creating synergies and avoiding duplications. Private companies are organized in various specialized associations and are represented in state-owned companies and entities such as universities. There is continuous interaction between government and private sector to improve the investment climate through various instruments, including through public-private partnerships. In sum, inclusive

partnerships are flourishing again as Fiji has fully regained democracy, with ample spaces for CSOs and the private sector not only to participate in policy design, but also to become trusted implementing partners. Next steps will include formalizing – through the new Development Partner Coordination Framework – the role of non-state actors in development co-operation as well as creating sector-level mechanisms for effective and efficient collaboration in pursuit of Fiji's sustainable development.

### Indicator 8. Gender Empowerment

At this stage, Fiji does not have a budgetary system to track allocations for gender equality and women's empowerment. Based on existing policies

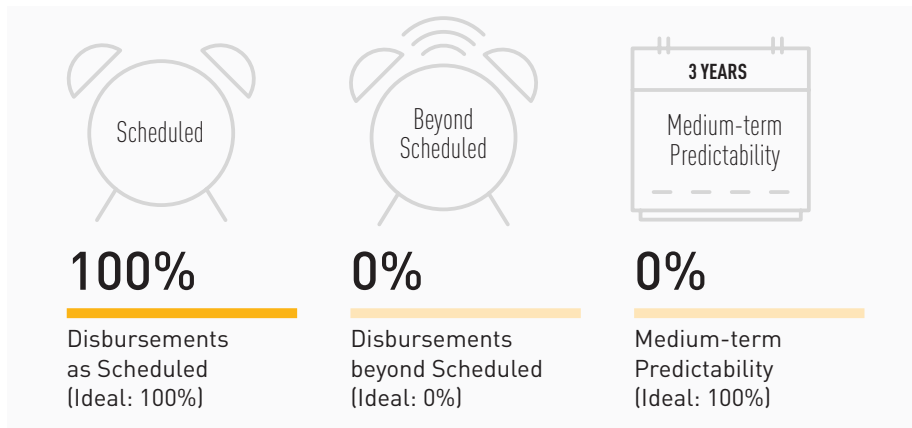
(National Gender Policy, operationalized through the National Women's Plan of Action) and institutional arrangements (Department of Women and Children), the

country might consider gender-sensitive budgeting in the future.

## 5. Transparency and Accountability

### Indicator 5. Development Co-operation is More Predictable

In 2015, all development co-operation for the government sector was disbursed as scheduled. This covers a relatively small proportion – about 15% – of all reported finance, as most development partners were implementing in parallel units, rather than from within the government structure. Development partners have not yet provided information on their forward spending plans. However, the flow of information might improve once the new coordination framework is in place and partnerships become closer throughout the next years.



### Indicator 7. Mutual Accountability

Fiji currently lacks a proper mutual accountability arrangement, but partnerships are rapidly being rebuilt and strengthened, thereby providing opportunities for agreement on shared rules and responsibilities. Beyond the

conventional bilateral channels, the new Development Partner Coordination Framework might help the government and development partners to collectively define clear benchmarks to improve the effectiveness of development co-

operation. Particular attention might be given to expanding support to Fiji's public sector, using country systems and ensuring consistent access to and flow of information on foreign assistance.

## National Priorities Going Forward

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The second monitoring round has provided an opportunity for developing countries like Fiji to have a voice in development and how the international development agenda can be shaped. It also strengthened country ownership and recognized the importance of the government's role in leading the exercise and ensuring inclusive participation by all partners in development. However, the effectiveness of development co-operation rests with each partner to show commitment and share best practices and lessons learned. The indicators may need to be regularly reviewed to reflect the ever-changing development architecture and to consider the practicalities or relevance to developing countries that may not be applicable or that may lead to misinterpretation.

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**Ledua Vakaloloma, National Coordinator  
Ministry of Economy, Government of Fiji**

**Disclaimer** This document was prepared based on data collected from voluntary reporting to the Second Monitoring Round of the Global Partnership for Effective Development Co-operation and, for Country Context, other open source information available online. The views presented cannot be used or cited as an official UNDP source of information.

For ease of reference, the term 'country' is used to refer to participating countries and territories that reported to the Second Monitoring Round. Participation in this process and mention of any participant in this document is without prejudice to the status or international recognition of a given country or territory.