



Country Update

Covid-19 Impacts, Responses and Ways Forward for Sustainable and Inclusive Recovery

By Emmeline Perreve

Introduction

Fiji is an archipelago of more than 320 islands, situated in the South Pacific Ocean, about 2000 km North-East of New Zealand. Its capital city is Suva. Fiji, endowed with forest, mineral, and fish resources, is one of the most developed and connected of the Pacific island economies. Earnings

from the tourism industry and remittances from Fijians' working abroad are the country's largest foreign exchange earners.¹ Despite this relative dynamism, Fiji is a developing country, and is classified by the World Bank as an Upper-Middle Income Economy.

In the following table, data are for 2019 unless otherwise indicated.

Table 1: Fiji Key Indicators before Covid-19

Population (2020) ²	896 000
Urban population ³ (% of total population)	56,8
Economy (GDP)⁴	
GDP (Billion current USD)	5,536
GDP per capita (current USD)	6 220,046
GDP Growth Rate (annual %)	1,063
Structure of the Economy⁵	
Agriculture (% of GDP at basic prices) (2018)	13,4
Industry (% GDP at basic prices) (2018)	19,4
Services (% GDP at basic prices) (2018)	67,2
Unemployment Rate ⁶ (% of labour force) (2018)	
	4,2

¹ Fiji Economy 2020, CIA World Factbook (theodora.com)

² <http://data.un.org/en/iso/fj.html>

³ <http://data.un.org/en/iso/fj.html>

⁴ <https://data.worldbank.org/>

⁵ PDF (adb.org)

⁶ | Human Development Reports (undp.org)

Trade ⁷	
Exports of goods (Billion USD)	0,951
Exports of services (Billion USD)	1,65
Imports of goods (Billion USD)	2,88
Imports of services (Billion USD)	0,727
Major exports of goods (2018)	Water; Non-fillet Frozen Fish; Gold; Processed Fish; Fuel Wood
Major export destination for goods (2018)	United States; Australia; Japan; China; New Zealand
Major imports of goods (2018)	Refined Petroleum; Cars; Planes, Helicopters and/or Spacecrafts; Delivery Trucks; Broadcasting Equipment
Major import origins (2018)	Singapore; China; Australia; New-Zealand; South Korea
Major exports of services (2018)	Personal Travel; Transportation; Government Services; Business Travel; Computer and Information Services
Major imports of services (2018)	Transportation; Personal Travel; Other Business Services; Insurance Services; Computer and Information Services
Other indicators	
Global Hunger Index ⁸ (2020)	8,0 (low level of hunger)
Prevalence of undernourishment (average %) ⁹ (2017-2019)	3,9
HDI ¹⁰ (2018)	0,724 (98 th rank out of 189)

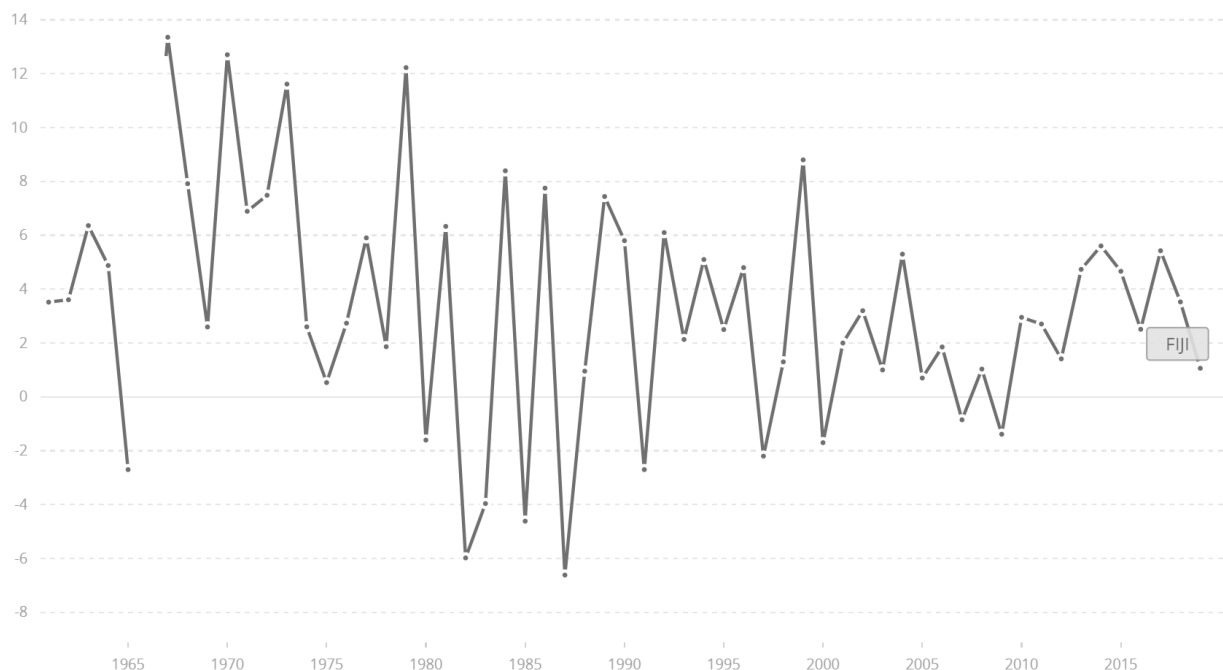
⁷ Few data is available for Fiji trade. The World Bank has no available data concerning exports of goods and services, neither does the UNDP (it indicates n.a. in the field 'Exports and Imports'). The data comes from Fiji (FJI) Exports, Imports, and Trade Partners | OEC - The Observatory of Economic Complexity

⁸ Data from 2015-2019. The impact of Covid-19 is not taken into account. Available at: <https://www.globalhungerindex.org/>

⁹ FAOSTAT NB: The World Food Project did not publish any data concerning the Food Insecurity.

¹⁰ | Human Development Reports (undp.org)

Figure 1: GDP annual growth in Fiji, 1960-2019 ¹¹



Before the eruption of the Covid-19 pandemic, the Asian Development Bank, in the framework of the Country Partnership Strategy for Fiji, was providing some assistance to Fiji. It has been investing in rehabilitating the roads for 20 years, and the reductions in transport costs and travel times helped disadvantaged groups being more involved in the cash economy, accessing employment opportunities and taking advantage of social services.¹²

The Asian Development Outlook (ADO) publishes every year an ADO GDP Growth Outlook in April and an Update in September. The 2019 Update forecasted a 2,93% GDP growth for 2019, and a 3,16% GDP growth for 2020.¹³ In the ADO Outlook for 2020 (April), the estimated Fijian GDP growth for 2019 was 0,7%, with a forecast of -4,9% growth for 2020¹⁴. Due to the pandemic and as of now, two updates were published in 2020, one in June and one in September. The June Update (“supplement”)

forecasted a GDP growth for 2020 of -15%¹⁵, while the September Update forecasts a -19,8% growth.¹⁶ To sum up, the projections before the eruption of the pandemic were rather optimistic and forecasted an increase of the GDP growth. The projections then became increasingly pessimistic throughout 2020.

Covid-19 Situation and Impacts

Trajectory of Covid-19 diseases

Fiji has not been hardly hit in terms of health by the Coronavirus disease. From January 3, 2020 to December 20, 2020, there have been 46 confirmed cases of Covid-19 with 2 deaths (both in August). The first case was reported on March 19: the person had been contaminated overseas. The cases reported between March and April were partly

¹¹ <https://data.worldbank.org/indicator/NY.GDP.MKTP.KD.ZG?locations=FJ>

¹² Asian Development Bank and Fiji: Fact Sheet (adb.org)

¹³ GDP Growth Rate, Asian Development Outlook 2019 Update (XLSX) (adb.org)

¹⁴ GDP Growth Rate, Asian Development Outlook 2020 (XLSX) (adb.org)

¹⁵ GDP Growth, Asian Development Outlook Supplement 2020 - June 2020 (XLSX) (adb.org)

¹⁶ GDP Growth, Asian Development Outlook Update 2020 - September 2020 (XLSX) (adb.org)

contact cases from that person (some were under control, as members of his family, but some were only identified once they had some symptoms and were likely to have contaminated other persons), and partly other imported cases. All confirmed cases between June and November were imported by foreign nationals (coming back to Fiji in the frame of a repatriation), and they were all controlled thanks to the quarantine measures that are still applicable as of this writing, in December 2020.

As of December 20, the last cases were confirmed on December 14 with 2 new cases (the previous ones were declared on December 4 with 2 new cases¹⁷). The figure below shows the daily evolution of new reported cases between January and December in Fiji.

Protective measures taken in order to control the pandemic

● General overview

According to the Asian Development Bank, referring to the Oxford Covid-19 Government Response Tracker, the stringency index of restrictive measures taken by Fiji was of 48,2 for the January-August period, on a scale varying between 0 and 100, 100 being the most stringent response.¹⁸

The Fijian government took protective measures even before the first national case was confirmed, and could declare the pandemic was contained within a few months (on June 5th ¹⁹). There have been several phases in the way of dealing with the pandemic:

- From February 3rd to March 20th: preventive and protective measures were taken. The strategy was to avoid exchanges with the outside world.
- From March 20th to April 26th: a broad set of measures was taken (more details below) to

contain the pandemic. This period was the strictest in terms of restrictions.

- From April 26th to June 21st: containment and mitigation measures began to be relaxed at the national level, along with a progressive reopening of the economy.
- From June 21st: phase 2 of the Covid Safe Economic Recovery Plan began. It outlines a three phased approach to a “COVID-Safe Economic Recovery” and is based on the core principles of stopping importation of the virus, ensuring health system readiness, and COVID-proofing Fijian businesses and society at-large.²⁰

● Progressive closing of the Fijian borders

The first Fijian reaction towards the pandemic was to isolate from other countries and to close its borders. On February 3rd, 2020, the Fiji government closed the Fijian borders to all foreign nationals who had been in mainland China within the 14 last days before travelling to Fiji.²¹ On February 16th, the travel ban was extended to all people who had been in Italy, Iran, and the South Korean cities of Daegu and Cheongdo. Also, from February 28th, all cruise ships entering the Fijian waters were required to make first berth at ports in Suva or Lautoka, where all passengers on board would undergo medical and travel history checks.²²

On March 16th, the Prime Minister announced a ban on cruise ships in order to keep Fiji safe from the Covid-19 pandemic. All international events on the Fijian territory were also forbidden, and local events closed to overseas guests. At the same time, Fijians were advised not to travel overseas, and if they would, they would be required to self-isolate when returning to Fiji.²³ On March 20th, one day after the first confirmed case in Fiji, the border restrictions were extended to travellers from the United States and from Europe, including the United Kingdom.²⁴ Anyone entering Fiji from any overseas destination was required to self-quarantine 14 days in hotels

17 Fiji: WHO Coronavirus Disease (COVID-19) Dashboard | WHO Coronavirus Disease (COVID-19) Dashboard

18 Asian Development Outlook 2020 Update: Wellness in Worrying Times (adb.org) p.31

19 COVID_KAP_Summary-Report.pdf (health.gov.fj) p.6

20 Fijian-COVID-Safe-Economic-Recovery-Framework-Rev-2.pdf (mcttt.gov.fj)

21 Fiji toughens on border entry amidst coronavirus concerns – FBC News

22 Coronavirus: Fiji extends travel ban amid growing concerns (rnz.co.nz)

23 PM announces new COVID-19 measures, including ban on cruise ships – FBC News

24 Fiji restricts travel from US, UK and Europe | RNZ News

dedicated to that purpose, and had to be tested negative before being allowed to go into the community or home.²⁵ This last measure is still applicable as of this writing (mid-December). All those travel restrictions limited the number of imported cases and allowed the government to be able to contain the pandemic.

● *Social isolation measures*

On March 18th, the Prime Minister said that the culture of socialising needed to be minimised.²⁶ Gatherings of 20 or more people were banned on March 20th, along with the recommendation of limiting contacts as much as possible.²⁷

● *Schools and businesses closure, shut down of activities*

On March 20th, all schools within the greater Lautoka area were closed until further notice, as well as non-essential businesses. Banks, supermarkets, pharmacies and other essential services remained open. Those measures were also applied in the capital city, Suva, on April 2nd.²⁸

Elsewhere, workplaces remained open, buses and Fiji link services continued, but all non-essential travels were to be avoided. Nightclubs, gyms, cinemas, swimming pools, fitness centres and recreational contact sporting were closed everywhere in Fiji.²⁹ All 1778 Fijian schools also closed.

Schools for face to face learning gradually reopened in June with Covid Safe Plans. In the frame of Phase 2 of the Fijian Safe Economic Recovery Plan³⁰, restaurants, bars, cafes and clubs could open under strict conditions. For instance, they had to be registered and licensed establishments with COVID Safe Plans. Also, with special conditions and

restrictions (such as being Covid-safe, opening with 50% of venue capacity or maintaining contact tracing information, for instance), gyms, fitness centres and swimming pools were permitted to re-open from June 22nd, as well as cinemas. Contact sports were also reallowed, as the inter-contamination chains could be suspended.³¹

On December 7th, the Prime Minister stressed that the capacity restrictions on sporting events and large public gatherings will remain.³² Phase 2 of the Recovery Plan is still ongoing.

● *Isolation of the Greater Lautoka area and of the Fiji Islands*

On March 20th, the Prime Minister announced that those working in the Greater Lautoka area, but not living there, “should report to the nearest office outside of the monitored area, regardless of whether their industry falls under the essential businesses list”³³. He also declared the following: “Basically, if you are living in the Greater Lautoka Area, you will now stay in the Greater Lautoka Area. If you do not live in Greater Lautoka Area, you cannot travel there, even if you work there.”³⁴

From March 29th on, all local shipping services ceased.³⁵ All passenger inter-island travel, by air and by sea, resumed on April 26th.

● *Curfew*

On March 30th, a curfew was established all over the country, from 10 pm to 5 am³⁶. From April 2nd, it began at 8 pm³⁷, but the announcement of the recovery of more than half of the confirmed cases led the government to push it back to 10 pm on April 25th.³⁸ Since June 22nd, the curfew is operable from 11 pm to 4 am.³⁹ As of this writing (mid-December,

²⁵ PM announces major restrictions due to COVID-19 – FBC News

²⁶ The Fiji Times » PM: We need to change our thinking

²⁷ PM-Statement-on-Coronavirus.pdf (fbcnews.com.fj)

²⁸ Fiji confirms two new Covid-19 cases, Suva now in lockdown | RNZ News

²⁹ PM-Statement-on-Coronavirus.pdf (fbcnews.com.fj)

³⁰ Fijian-COVID-Safe-Economic-Recovery-Framework-Rev-2.pdf (mcttt.gov.fj)

³¹ Fijian Government - PRIME MINISTER VOREQE BAINIMARAMA'S STATEMENT ON COVID-SAFE ECONOMIC RECOVERY

³² Nationwide night curfew to remain in Fiji: PM (fresherslive.com)

³³ PM-Statement-on-Coronavirus.pdf (fbcnews.com.fj)

³⁴ PM-Statement-on-Coronavirus.pdf (fbcnews.com.fj)

³⁵ Fiji's airport closes and authorities investigate Covid-19 breaches | RNZ News

³⁶ Fiji to be under nationwide curfew from Monday | RNZ News

³⁷ Fiji confirms two new Covid-19 cases, Suva now in lockdown | RNZ News

³⁸ Curfew moved back to 10pm – FBC News

³⁹ The Fiji Times » COVID-19: Revised curfew hours effective from tomorrow

2020), it is planned to remain this way.⁴⁰

● *Health Measures*

More than 30 fever clinics were established nationwide in order to keep people with fevers away from vulnerable people who visit Health Centres, with separate and dedicated spaces specially designed to identify possible Covid-19 cases.⁴¹

The Ministry of Health and Medical Services has established a Covid-19 Preparedness and Response Plan (PRP)⁴². The Fijian response to Covid-19 stems from the three already existing plans “that specifically outline how the health sector responds to health emergencies, outbreaks and disasters”: the National Health Emergencies and Disaster Management Action Plan, the Fiji National Influenza Pandemic Plan and the National Communicable Diseases Surveillance and Outbreak Response Plan. The Ebola Response plan drafted in 2015 also helped for preparedness and response to this latest disease. In the executive summary, it is mentioned that “the best way to limit the economic and social impacts of Covid-19 is through a strong public health response. This is

being achieved via a coordinated national effort to ensure: that the most vulnerable Fijians are protected; that health systems are prevented from being overwhelmed; continuity of all other normal public health functions; and that health facilities are spared from becoming amplification and transmission centres of the virus.” As defined in the Plan, its objectives are to:

- “facilitate preparedness of health services and other relevant agencies to respond to cases of COVID-19;
- support a coordinated system-wide response to COVID-19;
- provide guidance to health services and related agencies for the management of COVID-19;
- outline key activities and responsible organisations, units and individuals.”

In compliance with the World Health Organisation’s objectives⁴³, the organisation of the Fiji Covid-19 PRP is structured according to seven key components, as described in Box 1 below (other relevant information is provided in Boxes 2 and 3):

Box 1: The Seven Key Components from the Fiji COVID-19 Preparedness and Response Plan - Framework of Action⁴⁴

- **Command and Coordination:** This component concerns the need to enhance the existing national public health emergency preparedness and response mechanisms and the command and coordination structure for a response to potential introduction of COVID-19.
- **Surveillance, Risk Assessment and Response:** An enhanced surveillance system must be able to detect and report any persons with potential COVID-19. Upon detection of a COVID-19 event, a rapid response team (RRT) must be mobilised to undertake an investigation and conduct control measures including contact tracing and contact management.
- **Laboratory:** The key role for the laboratory in Fiji related to COVID-19 is to provide efficient diagnostic testing. The Molecular Laboratory of the new Fiji Centre for Disease Control will undertake this role.

⁴⁰ Nationwide night curfew to remain in Fiji: PM (fresherslive.com)

⁴¹ Coronavirus in the Pacific: weekly briefing | Coronavirus | The Guardian ; PM-Statement-on-Coronavirus.pdf (fbcnews.com.fj)

⁴² *COVID-19-Fiji-Preparedness-and-Response-Plan-2020.pdf (health.gov.fj)

⁴³ Those objectives are to limit human-to-human transmission; identify, isolate and care for patients early; identify and reduce

transmission from the animal source; address crucial unknowns regarding clinical severity, extent of transmission and infection, treatment options, and accelerate the development of diagnostics, therapeutics and vaccines; communicate critical risk and event information to all communities and counter misinformation; and minimise social and economic impact through multi-sectoral partnerships.

⁴⁴ *COVID-19-Fiji-Preparedness-and-Response-Plan-2020.pdf (health.gov.fj) pp. 15-16

- **Clinical (Case) Management and Infection Prevention Control:** The effective clinical and public health management of cases of COVID-19 requires strict adherence to IPC measures. This will minimise the risk of transmission in the community and in health care settings. All persons coming into contact with potential COVID-19 cases must be equipped and familiar with appropriate IPC procedures.
- **Public Health Intervention including Points of Entry Measures:** Strengthening International Points of Entry measures including collating arrival passenger health declaration forms and thermal scanning for identifying passengers with a fever are key components of COVID-19 surveillance and response.
- **Risk Communication:** Effective risk communication will serve to strengthen public trust and promote appropriate behaviour. Messages targeted at different target groups at the different levels of preparedness and response are required and will be described in a Risk Communication and Community Engagement Strategy.
- **Logistics, Procurement and Supply Management:** Effective logistics and supply chain management for stocks and procurement. There should be good forecasting and sufficient capacity to procure, stock, distribute supplies and consumables needed within the health system.

Box 2: Survey led by the Incident Management Team towards Knowledge, Attitude and Practices linked to the Covid-19 pandemic⁴⁵

A survey published in August 2020, entitled “Understanding Knowledge, Attitudes and Practices in The Context Of Covid-19 in Fiji” (KAP), was initiated by the Incident Management Team (IMT) to “help in understanding how effective the Covid-19 risk communication have been during Phase 1 of the Covid-19 response”. It comes out that the respondents had a high-level of recognition of the causes of the Covid-19, although strengthening messaging would still be opportune. Also, “Regarding risk reduction behaviours that were practised during the campaign period, three out of the four commonly promoted risk prevention behaviours, including regularly washing hands with soap and staying home during curfew hours, were rated amongst the top behaviours commonly practised by respondents.” The conclusion of the survey report also highlights “a high level of exposure and acceptance of the messaging campaigns and, at least in some instances, [...] this knowledge has translated into practice.” In the next phase of the campaign, the IMT should “ensure the right combination of messages and methods to reach as wider a cross section of the community as possible. Further consideration to patterns and media/information preferences will assist in addressing some of the knowledge gaps as well as behaviours that survey respondents reportedly found more challenging to practise in their day to day.”

Box 3: Hygienic Recommendations

Along with the measures, the government highlighted the stringent need for Fijians to wash their hands with soap and to observe hygienic-secure habits. In his speech given on March 19th, while announcing that the first case was confirmed in Fiji and announcing the new measures applicable from March 20th, the Prime Minister declared: “My fellow Fijians: Wherever you’re watching this address, the number one thing you can do today to serve our nationwide response is to regularly wash your hands with soap and water. All it takes is 20 seconds of hand washing to potentially save a life.”⁴⁶ He also recalled that “We need to keep a safe distance of two metres from one another as much as possible. We should also all refrain from visiting elderly homes, prisons or patients in hospitals. We must sneeze or cough into our elbow or a tissue which should be immediately discarded. [...] Do not shake hands or hug one another, as difficult as that may be.”⁴⁷

⁴⁵ COVID_KAP_Summary-Report.pdf (health.gov.fj)

⁴⁶ PM-Statement-on-Coronavirus.pdf (fbcnews.com.fj)

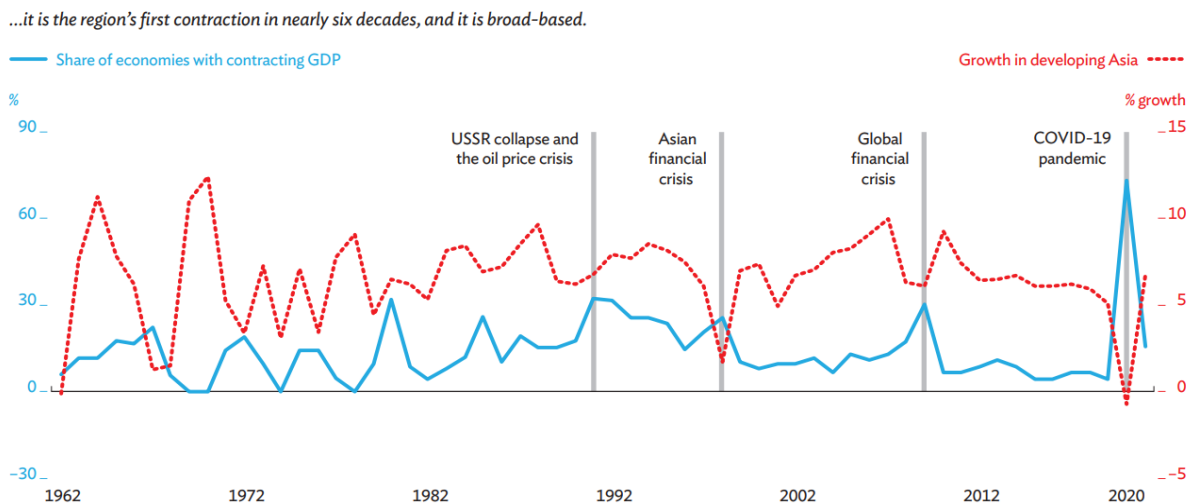
⁴⁷ PM-Statement-on-Coronavirus.pdf (fbcnews.com.fj)

Socio-economic impacts

The Pacific Islands managed to contain the Pandemic and not to face a huge number of deaths nor contaminations. However, the economic impact of the Covid-19 crisis is very likely to be one of the

most serious contraction of the Regional Asian and Pacific GDP in six decades. As shown in the figure below, the last time that the growth in developing Asia was not positive was in 1962 with a global growth rate of 0%. Fiji weights down in the regional growth forecasts.

Figure 2: Regional GDP Growth and the share of individual economies contracting⁴⁸



COVID-19 = Coronavirus Disease 2019, GDP = gross domestic product, USSR = Union of Soviet Socialist Republics.

Notes: The period 1962–1969 includes 17 economies: Bangladesh; China, People's Republic of; Fiji; Hong Kong, China; Georgia; India; Indonesia; Malaysia; Myanmar; Nepal; Pakistan; Papua New Guinea; the Philippines; the Republic of Korea; Singapore; Sri Lanka; and Thailand. Three economies are added in 1970 to 1979: Kiribati; Taipei, China; and Solomon Islands. Thirteen economies are added in 1980–1989: Bhutan; Cambodia; the Kyrgyz Republic; the Lao People's Democratic Republic; Marshall Islands; Micronesia, Federated States of; Samoa; Tajikistan; Tonga; Turkmenistan; Uzbekistan; Vanuatu; and Viet Nam. Nine were added in 1990–2000: Armenia, Azerbaijan, Brunei Darussalam, Kazakhstan, Maldives; Mongolia, Palau, and Tuvalu. Timor-Leste was added in 2001, Afghanistan in 2003; Niue in 2004, and Nauru in 2005, bringing the total to 46.

Sources: World Bank World Development Indicators database; *Asian Development Outlook* database (accessed 31 August 2020).

🔴 A steep fall in tourism...

In many countries of Asia and the Pacific and as of August 2020, tourism has decreased by 90% as compared to the previous year. According to the United Nations' World Tourism Organization, this drop was very likely to continue over 2020, with a 80% drop forecast over the whole year.⁴⁹ That drop is having severe economic and social consequences within and beyond the tourism sector, especially in the many countries where tourism is an important source of earnings. Fiji's

economy is heavily dependent on tourism, as tourism employs about 150 000 people in Fiji and it makes up nearly 40% of the Fijian GDP⁵⁰. The year-on-year change in visitor arrivals came to -52,8% in March 2020. Since April 2020, all countries of the Pacific observe minimal arrivals, if any, causing at least 99% year-on-year declines⁵¹. The tourism industry is essentially closed and not expected to recover until at least the first quarter of 2021⁵². As of April 2020, the downturn in the tourism industry was already expected to impact the Fijian GDP by 38 percent.⁵³

⁴⁸ Asian Development Outlook 2020 Update: Wellness in Worrying Times (adb.org) p.28

⁴⁹ Two ways to help revive tourism in Asia and the Pacific (adb.org)

⁵⁰ 'It's catastrophic': Fiji's colossal tourism sector devastated by coronavirus | Fiji | The Guardian ; Fidji Contribution totale au PIB - % proportion, 1995-2019 - knoema.com

⁵¹ Pacific Economic Monitor (July 2020) (adb.org)

⁵² Asian Development Outlook 2020 Update: Wellness in Worrying Times (adb.org)

⁵³ Fiji- Measures in response to COVID-19 - KPMG Global (home.kpmg)

● ... having deep consequences on the Fijian economy

Fiji was the second largest economy in the Pacific before the eruption of the Covid-19 pandemic, but it has been hardly hit and “suffers the steepest downward revision”, mostly due to the halt of the tourism sector. The forecast is to contract by nearly a fifth in 2020, followed by just 1,0% growth in 2021⁵⁴ (as of September 2020).

● Impacts on the Fijian production

The most affected industries nationwide have been wholesale and retail, followed by tourism accommodation and food services. Then come construction, manufacturing, transport and storage.⁵⁵

● Outsider factors

The storm Harold on April 8th provoked severe floods in Fiji, and later brought many cases of diseases, particularly of leptospirosis and dengue. This represented one more challenge to deal with for the authorities in charge of dealing with the Covid health crisis.

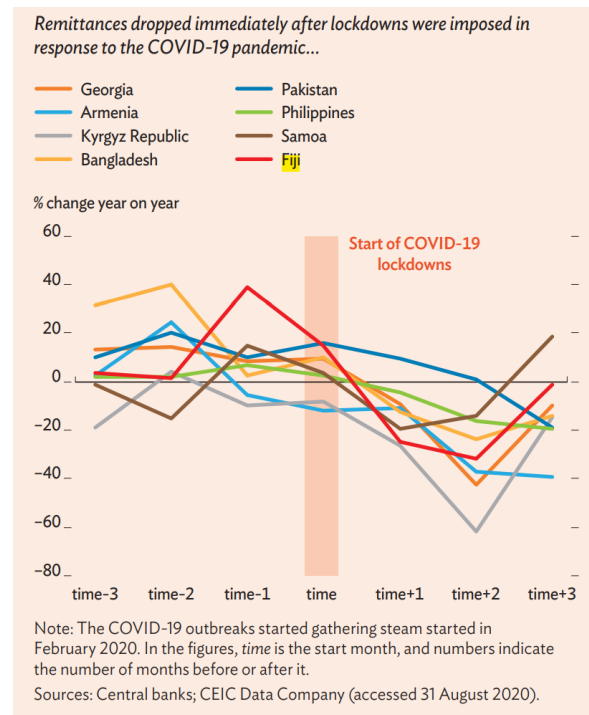
● Fall in remittances and impact of the crisis on the migrant workers

In many economies in developing Asia, remittances are an important source of household income. Under the crisis, they have declined sharply. According to the World Bank (2020), remittances to low- and middle-income countries are projected to fall this year by almost 20% from 2019. “This is a significant loss of crucial financing for vulnerable households that are dependent on these transfers.”⁵⁶

As shown in the figure below, Fiji being represented by the red line, remittance inflows began to decrease

before the start of the lockdown, and fell even more sharply after its start. First, this had an impact on Fijian incomes (in 2019, received personal remittances accounted for 5,18% of the Fijian GDP⁵⁷). Second, the analysis of this drop highlights the global vulnerability of migrant prospects to such crisis: “economic fallout from the COVID-19 pandemic and consequent containment measures permanently threatens the jobs and livelihoods of over 91 million international migrants from the region”⁵⁸. The direct fall down of remittances after the beginnings of the Covid-19 lockdowns shows that migrants were more exposed to losing their jobs and could therefore not send any remittances anymore. As mentioned in the Asian Development Bank Outlook, “A sudden stop in remittance flows to developing Asia, in particular to the Pacific and Central Asia, could push more remittance-dependent households into poverty.”⁵⁹

Figure 3: Remittance growth during the Covid-19 outbreak, selected economies



⁵⁴ Asian Development Outlook 2020 Update: Wellness in Worrying Times – Highlights (adb.org)

⁵⁵

<https://www.undp.org/content/dam/fiji/docs/SEIA%20Fiji%20Consolidated%20Report.pdf> p.56

⁵⁶ Asian Development Outlook 2020 Update: Wellness in Worrying Times (adb.org) p.41

⁵⁷ Personal remittances, received (% of GDP) - Fiji | Data (worldbank.org)

⁵⁸ Asian Development Outlook 2020 Update: Wellness in Worrying Times (adb.org)

⁵⁹ Asian Development Outlook 2020 Update: Wellness in Worrying Times (adb.org) p.41

● Inflation

In April, the estimations for the inflation rate forecasted a 1,5% growth for 2020. Throughout the year, estimations were revised down, to 1,2% in June and to 0,5% in September. The September projections also forecast a 1,3% inflation rate for 2021, while it was projected at 3% in June 2020.⁶⁰

● Fiscal balance⁶¹

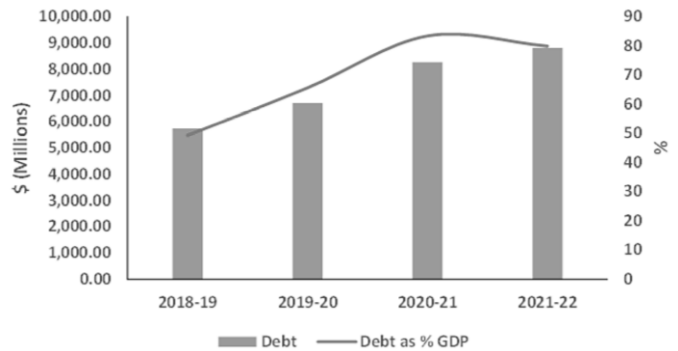
As of July 2020, the Fijian net deficit was projected to increase. The deficit was smaller than -5% of GDP for 2018-2019, but for 2020-2021, the deficit projection increases to -20% of GDP. The fiscal balance should recover in 2021-2022, levelling at -5% of GDP deficit.

Contraction in the Fijian economy will lead to lower government revenue, which together with higher expenditure to counter COVID-19 impacts is expected to widen the fiscal deficit to equal 20,2 % of GDP for the fiscal year 2020-2021 and 5.0 percent for 2021-2022.

● Total Government Debt

The graph below describes the increase in the total government debt for the fiscal years 2019-2020, and it is projected to increase even more in 2020-2021. The debt is not expected to decrease for the fiscal year 2021-2022.

Figure 4: Total government debt ⁶²



● Current Account Balance

The crisis also deepened the deficit of the current account balance. It was already negative in 2019 (-4,9% of GDP). However, while the April Outlook forecasted a -7,1% deficit for 2020, it was revised in September to -15,3% of GDP for 2020. The projections for 2021 are also pessimistic, with a projected -13,4% deficit for 2021 as of September 2020.⁶³

The United Nations Development Programme (UNDP) has published a Socio-Economic Impact Assessment (SEIA) of Covid-19 in Fiji⁶⁴, in July 2020. In its second pillar, entitled “Protecting People – Social Protection and Basic Services”, it assesses multidimensional vulnerabilities, focusing on impacts that COVID-19 has on selected outcomes in Fiji. The following points are some highlights made in that Report.

● Poverty

The impact of the crisis on poverty will depend on the concerned working sector and, inter alia, on the evolution of the international tourism. The figure below shows the livelihood risks by sector.

⁶⁰ Asian Development Outlook 2020 Update: Wellness in Worrying Times (adb.org) p.269

⁶¹

<https://www.undp.org/content/dam/fiji/docs/SEIA%20Fiji%20Consolidated%20Report.pdf>

⁶²

<https://www.undp.org/content/dam/fiji/docs/SEIA%20Fiji%20Consolidated%20Report.pdf> p.95

⁶³ Asian Development Outlook 2020 Update: Wellness in Worrying Times (adb.org) p.270

⁶⁴

<https://www.undp.org/content/dam/fiji/docs/SEIA%20Fiji%20Consolidated%20Report.pdf>

Figure 5: Livelihood risk by sector (adapted from the ILO)

Economic sector		Current impact of the crisis on economic output
1	Education	Low
2	Human health and social work activities	Low
3	Public administration and defence; compulsory social security	Low
4	Utilities	Low
5	Agriculture, forestry, and fishing	Low
6	Construction	Medium
7	Financial and insurance activities	Medium
8	Mining and quarrying	Medium
9	Arts, entertainment and recreation and other services	High
10	Transport, storage, and communication	High
11	Accommodation and food services	High
12	Real estate, business, and administrative activities	High
13	Manufacturing	High
14	Wholesale and retail trade, repair of motor vehicles and motorcycles	High

Prior to Covid, the poverty rate in Fiji in 2020 stood at 24,2% with a total of 210,963 people living in poverty. Poverty rates were higher in rural regions than in urban areas, at 31,9% and 16,76% respectively. Children were also at higher risk of living in poverty as compared to the total population. In the SEIA – Fiji Consolidated Report, several scenarios of severity are considered. The calculated poverty rate after the covid-19 lockdown ranges between 26,5% and 37,5%, rural areas being more hit (poverty rate ranges between 33,8% and 46,3%) than urban areas (poverty rate ranges between 19,3% and 28,8%). Child poverty rate is also expected to increase (between 37,1% and 47,4%): children are hit harder than the rest of the population.

● *Health and access to healthcare services*

Before the pandemic, Fiji’s health indicators have improved. Despite the low number and rate of infections, “the pandemic along with the lockdown may have indirect effects on people’s health and access to healthcare services”, as those are linked to household income. According to the United Nations Population Fund (UNFPA), the covid-19 pandemic had already led to a decline of 20% in utilization of healthcare services in Fiji in July. The pandemic has huge indirect health impacts, such as on non-communicable diseases (NCDs), maternal

and child mortality, sexual and reproductive health or access to mental health care: NCDs are the first cause of death in Fiji, causing 77% of deaths, and the losses in income may increase the prevalence of NCDs, such as diabetes; due to reductions of coverage, maternal and child deaths may increase a lot. The pandemic also seems to have been increasing the number of unintended pregnancies; finally, the treatment gap for mental health patients prior to the pandemic was already estimated to stand between 89,7% and 96,9%, but regarding depression, suicide and severe mental disorders, the crisis is very likely to have adverse impact on mental health, and resources should be increased accordingly.

● *Education*

Primary school enrolment was very high before the pandemic (98% of net enrolment for both boys and girls). It drops when getting to secondary school, with 88% net enrolment for girls and 80% net enrolment for boys, the latter joining the workforce instead. The closing of schools due to the pandemic lasted about three months (from April to June 30). Despite the measures put in place to facilitate online learning and home schooling, such as TV, radio, online lessons or extra print-out material, it seems that only 20-25% of primary school curricula were completed during the lockdown period. It drops to

merely 20% for pre-primary and secondary curricula. According to the SEIA Report, “Pressures to support family activities such as fishing, farming for food sources and domestic tasks including cleaning and care for siblings during lockdown are some important barriers to completing schoolwork remotely.” Secondary school enrolment rate may remain lower than before the eruption of the covid-19 as a result of the higher poverty rates due to the pandemic.

● *Nutrition and Food Security*

During the last years, along with the increase in food energy availability, the dependence on cheap imported food became higher. The obesity rate reached 42,6% in 2011 (that rate was 9,8% in 1993), and the prevalence of obesity among adults might increase due to the covid-19 crisis, presenting a large economic burden on a country through increased health costs and reduced productivity.

Also, food poverty in Fiji stood at 2,5% in 2017 (World Bank’s estimations), and is projected to stand between 6,82% and 9,29% immediately post covid-19. It may remain higher than prior to the crisis for a while, with a food poverty expected to stand between 5,41 and 6,09 in 2022. The drop in income is not the only reason, but also the heavy dependence of Fiji on import for some products such as cereals, pulses or vegetables, of which prices are very likely to rise. Poor households spend a greater share of their budget on food (29%) and will therefore be more affected by the rise of the prices. Also, dietary diversity, particularly in urban areas, might very well be affected, and school closures will affect the dietary diversity of young children.

● *Water, sanitation and hygiene (WASH)*

Loss of income and higher import prices will also impact the WASH sector. Here again, school closures have affected the most vulnerable children, those who didn’t have access to WASH facilities at home, but only at school. Access to piped water may be affected by the income drops of households, who might not be able to pay bills anymore, even if disconnections were suspended until July 31, 2020 by the Water Authority of Fiji. Access to water impacts sanitation, handwashing capacities, and therefore also hygiene. Also, women’s menstrual hygiene management may be affected through higher prices of sanitary pads.

● *Gender based violence and violence against children*

According to the SEIA report, “In Fiji, levels of violence against women are among the highest in the world. Studies show that 64 percent of Fijian women who have ever been in a relationship have experienced physical or sexual violence by an intimate partner”. This rate comes up to 71% when including non-partner violence as well. Domestic violence complaints more than doubled during the months of March and April 2020, as one of the most important barriers for women to protect themselves was their mobility. Even if poverty and economic pressures are not significant determinants for gender-based violence, they have a direct impact on women’s ability to move away from an abusive relationship. Fijian women have little financial autonomy. The tourism sector was providing opportunities for both women workers and entrepreneurs, and the consequences of the lockdown will be more impactful for women.

Violence and abuse against children also increased due to the crisis and related lockdown. As shown in the SEIA report, children being victims of abuses are more likely to perpetrate violence towards their family (particularly women and children) later. Furthermore, girls being the target of violence as a child “are more likely to suffer later in life from physiological and/or sexual abuse by their partners. Survivors of child sexual abuse might also suffer from depression, low self-esteem, and abuse of alcohol and illegal substances.”

● *Childcare and parenting*

A good and reliable childcare is essential for the sake of the parents’ work. However, only the last year of childcare is free for the families and paid by the Fijian State. All other years are on families’ charge. Families enduring a loss in income may not be able to afford such fees anymore, and therefore to send their children to kindergartens. Mothers are the most affected by lacking childcare services.

● *Mental health and psychological support*

Covid-19 raised rates of stress and anxiety, but “levels of loneliness, depression, substance abuse and self-harm or suicidal behaviour are also expected to rise”. An increase of between 3 057 and 6 114 cases of Fijians suffering from depression can

be expected.

● *The urban poor and informal settlement*

Urban poor and informal settlement communities are more exposed to the health as well as socio-economic impacts of the crisis. The SEIA reports that “A household survey conducted by UN-Habitat in 16 informal settlements across 4 four towns in Viti Levu found that 84 percent of households saw a loss of income and 40 percent of households reported that their income fell by more than half due to COVID-19. Given that many are employed in the informal economy with limited social protections, these reductions will impact purchasing capacities for basic food items, particularly for women-headed households.” Finally, informal settlements are often located “in areas highly vulnerable to climate-related disasters such as flooding and cyclones, which combined with lower access to basic services and quality housing, further reduces the capacity to adapt to COVID-19, as witnessed during TC Harold.”

Relaunching the economic and social life

Recovery Plans at governmental scale

● *The “Fijian Covid Safe Economic Recovery Framework”*

The Fijian government developed a “Fijian Covid Safe Economic Recovery Framework”. It adopts a three phases-approach, “based on the core principles of stopping importation of the virus, ensuring health system readiness, and COVID-proofing Fijian businesses and society at-large”⁶⁵ (as mentioned above). The idea is to break potential chains of viral transmission before they take hold while building a Covid-safe framework for economic activity to resume. For each phase, measures for all sectors are described. The first phase matches with

the gradual opening of businesses and communities with Covid Safe Plans in place, and the second phase keeps Covid safe plans for the continued safe opening of more businesses as well as the education sector and communities. In phase 3, that has not been implemented yet, all businesses and communities can open with minimum restrictions, but keeping Covid Safe Plans in place.

● *Promote Tourism*

As tourism is one of the main income sources in Fiji, it is crucial for the recovery to make that sector flourish again without compromising the Fijian control of the health situation.

On October 15, the tourism ministry launched Care Fiji commitment program to promote tourism, reassure travellers that Fiji is a safe destination, and to increase awareness among the visitors about pandemic related safety measures as well as best practices⁶⁶. For travellers from countries where the virus is contained, the mandatory 14 days quarantine requirements were removed.

The Fijian Tourism Exposition, that happens every year, was held virtually in 2020 on November 25, to promote tourism and business activities in the country.⁶⁷ Also, Fiji aims to establish a “bula bubble”, a tourism partnership in times of Covid with Australia and New Zealand to promote travel to and from those two countries, particularly in removing the quarantine requirements when arriving on the territory. This can only happen “under certain conditions and recognizing the fact that they have dealt with the Covid-19 pandemic in a manner that is credible to [Fijian] health authorities”⁶⁸. However, the return of tourists will still be determined primarily by how the pandemic evolves.⁶⁹

⁶⁵ Fijian-COVID-Safe-Economic-Recovery-Framework-Rev-2.pdf (mcttt.gov.fj)

⁶⁶ Tourism Fiji launches the Care Fiji Commitment - Pacific Tourism Organisation (southpacificislands.travel); Policy Responses to COVID19 (imf.org)

⁶⁷ Policy Responses to COVID19 (imf.org) ; Tourism Fiji To Host Virtual Expo Next Week (fijisun.com.fj)

⁶⁸ Fiji outlines travel bubble push with New Zealand, Australia – Pan Pacific Agency

⁶⁹ Asian Development Outlook 2020 Update: Wellness in Worrying Times (adb.org)

Support measures at national and international level

At national level, by the government

● Continued food supply

During the pandemic, in his speech concerning the general restrictive measures taken to contain the pandemic following the first case of Covid-19 confirmed in Fiji, the Prime Minister announced: “[...] we will ensure the supply of food will continue to be available. In order to maintain food security, the Agriculture Marketing Authority will be buying fruits, vegetables and root crops at the border of the Greater Lautoka Area from the farmers and middlemen to be sold to the vendors for sale at local markets in the Greater Lautoka Area”.⁷⁰

● Stimulus package

Together with the Fijian National Provident Fund (FNPF), a first Covid-19 Stimulus package of 1 billion FJD (8,7% of Fijian GDP) was announced on March 26, 2020⁷¹, allocated to supplemental expenditures on public health, tax and tariff reductions, and loan repayment holidays, aiming at protecting public health, supporting the economy and ensuring food security. The second package, announced on July 17 as part of the fiscal year 2020-2021 budget, mainly consisted of sizeable tax and tariff cuts (fiscal and import excise duties on over 1 600 items were reduced or eliminated; cuts to the service turnover tax, environmental tax and departure tax; 100 million FJD for unemployment assistance; subsidy to Fiji Airways of 60 million FJD to incentivize first 150 000 tourists in new fiscal year).

The Fijian fiscal response to the crisis has been large and, according to the UNDP, well-targeted. Its stimulus measures were implemented with very specific strategies in mind. The loan repayment holiday program was meant to help prevent SME bankruptcies; the unemployment assistance and subsidy to Fiji Airways to incentivise the first 150 000 tourists are examples of state-contingent measures “to help stimulate consumer spending and investments required for recovery.”⁷²

● Other fiscal measures and subsidies

Between the two stimulus packages, the government also implemented other additional measures, including an Agricultural Response Package to ensure food security. It *inter alia* aimed at boosting the production of short-term crops through seeds and materials distribution. Funds were also allocated to the sugar sector, unemployment assistance as well as to a concessional loans initiative for Micro, Small and Medium Sized Enterprises (MSMEs). The government’s initiatives aim at improving the investment ratio, fallen from an average 20 percent in the three years prior to the pandemic to 12,8%. Finally, a new hiring subsidy program was announced.⁷³

The government put in place some subsidies and funds for the population, including, but not limited to the followings: tertiary education loan repayments were suspended between March and December⁷⁴; the government funded 21 days Covid-19 leave for Fijian employees earning less than 30 000 FJD who have tested positive for the virus and paid 1000 FJD to Fijian in the informal sector who tested positive.⁷⁵

At national level, by the Reserve Bank of Fiji

Several measures were taken by the Reserve Bank of Fiji (RBF) as described in the box below:

⁷⁰ PM-Statement-on-Coronavirus.pdf (fbcnews.com.fj)

⁷¹ Policy Responses to COVID19 (imf.org)

⁷²

<https://www.undp.org/content/dam/fiji/docs/SEIA%20Fiji%20Consolidated%20Report.pdf>

⁷³ Policy Responses to COVID19 (imf.org)

⁷⁴

<https://www.undp.org/content/dam/fiji/docs/SEIA%20Fiji%20Consolidated%20Report.pdf>

⁷⁵ Fiji- Measures in response to COVID-19 - KPMG Global (home.kpmg)

Box 4: Monetary and Macro-financial measures taken by the RBF in response to the crisis⁷⁶

“The Reserve Bank of Fiji reduced the overnight policy rate to 0.25 percent from 0.5 percent on March 18 to counter the economic impact of COVID-19. The RBF also: (i) expanded the SME Credit Guarantee Scheme to assist small entities, (ii) raised its Import Substitution and Export Finance Facility by FJ\$100 million to provide credit to exporters, large scale commercial agricultural farmers, public transportation and renewable energy businesses at concessional rates, (iii) raised its Natural Disaster and Rehabilitation Facility to FJ\$60 million (renaming it the Disaster Rehabilitation and Containment Facility) to provide concessional loans to commercial banks for them to on-lend to businesses affected by COVID-19, and (iv) purchased FJ\$280 million of Government bonds in the first half of 2020 to help finance the Government deficit.”

At international level

Several kinds of support has been extended to Fiji. The following will only give a quick overview of these, without any claim of being comprehensive.

● Funds

The World Bank offered 5,5 million USD from its COVID-19 facility⁷⁷. The Asian Development Bank (ADB) announced to provide 2 million USD to help respond to the crisis in Fiji.⁷⁸

● Trade Agreements

In October 2020, the Fijian Government and the United States signed a Trade and Investment Framework Agreement (TIFA) to promote trade and investment ties between the two countries, as trade flows were growing in the past few years, reaching a peak in 2019.⁷⁹ It will open new opportunities for Fijian trade and investment and “give the entire region economic growth, sustainability and stability.”⁸⁰

● Fiscal and medical supply

In April-May, the World Health Organisation shipped over 32 000 items of personal protective equipment and testing supplies worth over 100 000 USD to

Fiji.⁸¹ Personal protective equipment and other medical supplies were also financed by the ADB and the Government of Japan (grant to the United Nations Children’s Fund to support Pacific Island Countries in their response to Covid), and delivered in August to Fiji to strengthen its capacity to respond to the coronavirus pandemic. This equipment included masks, face shields, coveralls, biomedical devices such as thermometers, oxygen concentrators or electrocardiogram recorders.⁸²

● Response plans and strategies were developed at international level

“Effective and meaningful engagement with bilateral and multilateral partners across UN agencies, funds and programs has led to the successful delivery of COVID-19 response activities in the Pacific. This includes financial and technical collaboration with partners to procure medical equipment, supplies and PPE; train healthcare workers; implement IPC measures; and support the development of national preparedness and response plans. Additionally, partnerships to respond to the broader socio-economic impacts of COVID-19 beyond health, have been instrumental in continuing to support vulnerable people and communities across the Pacific region.”⁸³

⁷⁶ Quoted from Policy Responses to COVID19 (imf.org)

⁷⁷ Fiji- Measures in response to COVID-19 - KPMG Global (home.kpmg)

⁷⁸ Policy Responses to COVID19 (imf.org)

⁷⁹ United States and Fiji Sign Trade and Investment Framework Agreement | U.S. Embassy in Fiji, Kiribati, Nauru, Tonga, and Tuvalu

⁸⁰ US/Fiji TIFA to benefit the region – FBC News

⁸¹ 5 May 2020 More PPE and lab supplies to support to Fiji’s response to COVID-19 (who.int)

⁸² ADB, Japan, and UNICEF Hand Over Medical Supplies to Fiji for COVID-19 Response | Asian Development Bank

⁸³ FJI_Socioeconomic-Response-Plan_2020.pdf (un.org) p.43

The Covid-19 multi-sectoral response plan published by the UNCT in August 2020⁸⁴ summarizes several objectives set by International Organisations such as the UNICEF, the UNESCO, the UNFPA, the WHO, the FAO and the WFP to bring response actions in different PICs. It has a 24-months horizon and is the first step in a longer-term cycle of planning and programming, seeking to promote transformational approaches that “aim to address the root causes of poverty and inequality in the Pacific region, rather than the symptoms or immediate humanitarian needs”⁸⁵. Recognising the Pacific region’s vulnerability to the devastating impacts of natural disasters and climate change, it is essential that the Covid-19 response and recovery strives to “build back better” and promotes sustainable approaches to economic development and natural resource management, for example through “green economy” initiatives.

A humanitarian response was also brought to the crisis. The Pacific Humanitarian Team, as part of a network of humanitarian organisations, worked together with them to assist Pacific Island Countries (PICs) preparing for and responding to disasters. Its action is partly funded by the UN Central Emergency Response Fund, which enables humanitarian organisms to deliver assistance whenever a crisis occurs.

Towards Sustainable and Inclusive Recovery: Key Issues to address

The Socio-Economic Impact Assessment (SEIA) of Covid-19 in Fiji Report published by the UNDP sets some recommendations to address short- and medium-term needs, as well as longer term issues in recommending the implementation of several sectoral initiatives. The previous section dedicated to socio-economic impacts observed that most of the effects of the pandemic were in fact linked to a loss in income due to the pandemic (rather than linked to the pandemic in itself). Therefore, the main challenge to address would directly be households’ budgets, in the short and medium terms at first, to

then ensure a long-term sustainable and inclusive recovery.

Concerning the macroeconomic stability, the Report lists key risks and policy challenges to the Fijian economy linked to the eruption of the Covid-19 pandemic for the short and medium terms. They include: (i) on the domestic front, health shocks and household vulnerabilities; (ii) losses in the economy due to declining remittances, consumption drop, and industry collapses, the informal sector being particularly exposed because of limited safety nets, possibly leading to a definitive exit of many SMEs of the market; (iii) fiscal space constraints, as the 2020 fiscal deficit is large, but needed to provide extraordinary support to businesses; (iv) unfavourable external conditions; (v) increased vulnerability to natural hazards and climate change.

Regarding social concerns, the Report states that the already existing programmes are effective: direct social transfers reduce the poverty rate by 7,5 percentage points⁸⁶, and, as they are more effective in rural areas than in the urban ones, they contribute to the reduction of the divide between rural and urban areas. However, those should be reinforced to better face the pandemic. Globally, the report suggests four action areas:

- Leading awareness campaigns (on hygiene and the importance of handwashing, even after the pandemic).
- Extending the services (childcare, healthcare services, formal support system to women), especially to rural areas.
- Implementing social protection programmes (benefitting workers in the hospitality sector and addressing food security and nutrition issues, drop in education as well as gender-based violence) and extending the already existing ones (wage subsidy, C&P allowance and poverty benefit scheme).
- Providing subsidies (menstrual products, childcare) and wage subsidies targeting all workers in high-risk sectors (as defined in the socio-economic impacts section), aiming at

⁸⁴ The detailed objectives can be found here: [FJI_Socioeconomic-Response-Plan_2020.pdf](https://www.undp.org/content/dam/fiji/docs/SEIA%20Fiji%20onsolidated%20Report.pdf) (un.org)

⁸⁵ FJI_Socioeconomic-Response-Plan_2020.pdf (un.org) p.14

⁸⁶

<https://www.undp.org/content/dam/fiji/docs/SEIA%20Fiji%20onsolidated%20Report.pdf>

mitigating the economic shock on households.

The current economic crisis also presents some opportunities for a better recovery of the Fijian economy. Diversification, reducing excessive dependence on imports, improving food security and low-carbon growth would be key points.

Short term

In the short term and to better respond to the current crisis, investing in health infrastructure and individual protective equipment would be crucial. In the financing of the social protection, particular attention should be kept on those who are at risk. Also, targeting immediate cash injections on endangered sectors such as manufacturing, wholesale, retail and tourism could help in their economic survival. Government should also expand social safety nets to provide temporary relief to households, especially poor, informal sector and self-employed workers, whose earnings have been adversely affected by the crisis.

Medium term

The 15-24 years olds, as they represent 17% of the population and a great potential for Fiji, should be targeted in the policies, particularly with investment in training, education and access to decent work.

To better take advantage of the opportunities raised by the crisis, environmental considerations should be part of the response across all sectors. The temptation to roll back environmental regulations to boost the economic growth would have bad consequences both in the medium and long term: “the Covid-19 pandemic also needs to be viewed as an opportunity for PICs to re-calibrate their economic growth strategies by adopting more sustainable policy measures, particularly through planned green economic recovery and stimulus packages”⁸⁷. Stimulus packages could support the transition to a “healthier, resource efficient, green and circular gender responsive economy, founded on sustainable consumption and production patterns anchored to sustainable value chains.”⁸⁸ Also, green finance and investments could be promoted, and “banks receiving government support could be mandated to better disclose climate risks in their sector lending and investment portfolios”.⁸⁹ Reskilling programmes that create green jobs could be prioritised, as well as upskilling workers. Increasing resilience to climate change and reducing the economic burden and dependency on imported fossil fuels should also be central in the “building back better”. The figure below shows different opportunities to develop low carbon in different sectors. It would be crucial to take those opportunities.

⁸⁷

<https://www.undp.org/content/dam/fiji/docs/SEIA%20Fiji%20Consolidated%20Report.pdf> p.97

⁸⁸

<https://www.undp.org/content/dam/fiji/docs/SEIA%20Fiji%20Consolidated%20Report.pdf> p.102

⁸⁹

<https://www.undp.org/content/dam/fiji/docs/SEIA%20Fiji%20Consolidated%20Report.pdf> p.102

Figure 6: Opportunities for low carbon development through economic stimulus packages⁹⁰

Energy and electricity	Investment in renewable energy projects.
	Investment in grid infrastructure to strengthen smart grid management technologies.
	Fiscal reform on fossil fuel subsidies.
Land-transport and mobility	Investment in walking and cycling infrastructure in cities.
	Incentives for zero emission shared mobility.
	Investment in smart and zero emission public transport.
	Financial incentives for zero emission vehicles.
Aviation	Conditional support for aviation industry to adopt energy efficiency.
	Incentivize use of rail to replace short haul flights.
Industry	Support the uptake of energy efficiency measures.
	Make support conditional on energy efficiency and emissions targets.
Buildings	Support for energy efficiency retrofits of existing buildings.
	Support for construction of new zero emission buildings.

To be sure that the recovery addresses the specific needs of both women and men within all vulnerable groups, policies should be gender responsive, with special attention on SMEs that have less scalability to respond to the crisis but represent 50% of global employment worldwide, and even more in developing countries “where they are considered drivers of the economy”⁹¹.

As the informal sector has a central role in the Fijian economy, representing 66,2% of Fijian employment, it should be empowered.

Having targeted fiscal policies could help overcome the fiscal burden and deepened deficit. Monetary authorities should also “provide any needed liquidity and credit guarantees to banks, to SMEs, and to informal workers.”⁹²

Promoting a “Fiji-made” industry would also benefit the Fijian economy in reducing import dependency with some “Fiji-made import substitutes”. Also,

dependency on tourism could be reduced in focusing on the Local Economic Development (LED), as regions that relied on LED before the pandemic erupted are today less affected by the economic crisis.

Finally, to seize the high potential represented by the young and high-skilled population, Fiji needs to be attractive with competitive infrastructure, internet costs and pricing which require medium to long term policies and investments.

The coming few years are going to be critical for Fijian recovery from Covid 19 and its wide-ranging health, economic and social impacts. Fijian government, with support from international organisations and development partners have put in place useful and important measures. These should now be the basis for a coherent short to medium term response policy package for sustainable and resilient recovery.

⁹⁰ <https://www.undp.org/content/dam/fiji/docs/SEIA%20Fiji%20Consolidated%20Report.pdf> p.97

⁹¹ KP2020-Study-Fast_Forward_E-Commerce.pdf (cuts-geneva.org)

⁹² <https://www.undp.org/content/dam/fiji/docs/SEIA%20Fiji%20Consolidated%20Report.pdf>

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