

The logo for Investment Fiji, featuring the word "Investment" in a black sans-serif font, followed by "Fiji" in a stylized font where the letters are interconnected and colored in a gradient of yellow and orange.

Investment **Fiji**



SECTOR PROFILES

www.investmentfiji.org.fj





Bula

Located in the heart of the South Pacific, Fiji consists of **333 tropical islands** and is a popular tourism destination for visitors from around the world. The rich culture of natural hospitality provides exceptional value for money for both visitors and investors. Fiji also has a young population, with approximately 50% of residents under the age of 27.

SUVA
Capital

ENGLISH, FIJIAN, HINDI
Language Spoken

18,274sqm
Toal Area

1,130km
Coastline

929,766
Population

FIJI DOLLAR
Currency

RUGBY
National Sport



Investment **Fiji**

Investment Fiji strives to amplify the Fijian brand globally to attract investment and to promote and connect Fijian businesses to the world with a focus on delivering sustainable and diversified results in both outbound trade and inbound investment.

Activities and services include:

INVESTMENT FACILITATION

To facilitate all necessary information and services to assist prospective and existing investors to meet their specific investment project needs.

AFTERCARE

To provide investors with assistance to overcome challenges to the expansion of their activities and diversification of objectives.

POLICY ADVOCACY

To collect information and raise awareness on the challenges faced by investors and recommend reform measures to improve Fiji's investment and business-enabling environment.

INVESTMENT PROMOTION

To increase the contribution made by investors to Fiji's economy by promoting Fiji's competitive and comparative advantages.

EXPORT PROMOTION

To facilitate and promote the development and expansion of export.

IMAGE-BUILDING

To promote Fiji as a desirable investment destination.



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INVESTMENT SECTOR

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WHY INVEST IN

Fiji

Fiji offers multitude of advantages and opportunities in various sectors to ensure businesses can flourish.



DYNAMIC WORKFORCE

Fiji has a young, multi-cultural, vibrant and well-educated work force. With 46% of our population under the age of 25 and a literacy rate of over 90%, Fiji's Human Capital is a very strong asset.

ICT CONNECTIVITY

Fiji has a highly competitive telecommunications sector and enjoys one of the highest rates of ICT penetration in the region. 95% of our population have access to mobile broadband through the use of 4G and 5G technologies. Fiji is establishing a Modern Economic Zone with supporting infrastructure and utilities to cater for large scale ICT operations. Based on 'plug & play' concept, the zone will offer tailor made facilities that will ease setting up operations, simultaneously saving time and cost.

TAX FRIENDLY ENVIRONMENT

Fiji has a business-friendly tax structure that supports innovation and investment with 25% corporate tax, and a lower rate of 15% for companies listed on the South Pacific Stock Exchange.

REGIONAL HUB

As the economic, trade, and transport hub of the Pacific we serve as the region's bridge to the world and offer duty concessions, investment allowance, tax exemption, and tax-free region as incentives towards trade and investment.

SHIPPING & AIR CONNECTIVITY

Fiji has several ports located on the main islands of Viti Levu and Vanua Levu, as well as on some of the smaller islands. The main ports are Suva and Lautoka on Viti Levu, and Savusavu and Labasa on Vanua Levu. These ports are served by a range of domestic and international shipping companies, including Fiji Shipping Corporation, Maersk Line, and Swire Shipping.

Fiji has two international airports, Nadi International Airport on the western side of Viti Levu and Nausori International Airport near the capital city of Suva. Both airports are served by several international airlines, including Fiji Airways, Air New Zealand, Virgin Australia, and Korean Air, among others.

Direct Services to and from Australia, New Zealand, USA, Singapore, Hong Kong, Tuvalu, Hawaii, Kiribati, Canada, Japan, Samoa, Tonga, Solomon Islands, Vanuatu and New Caledonia.



Agriculture has immense potential in Fiji; our virgin soils and tropical climatic conditions allow for a myriad of opportunities, targeting the domestic hotel industry and export markets.

The crop sub-sector is mainly driven by the root crop and horticulture industries. The major commodities are kava, turmeric, taro, ginger, cane sugar and Bilateral Quarantine Agreement (BQA) commodities such as eggplant, okra and breadfruit. Taro and cassava are the most planted root crops, with taro geared mainly for the export market. The livestock subsector is dominated by beef and dairy production.

Fiji has existing trade agreements and favorable quarantine arrangements that allow the trade of agricultural produce with countries such as Australia, NZ, US, Europe, Canada, China and the Pacific Island Countries. The domestic market, particularly the tourism industry, offers the biggest opportunity for expansion in the agricultural sector.

AGRICULTURE

OPPORTUNITIES

- » **Supply to the Tourism Sector:** The sector is a major importer of fresh produce items, including fruits, vegetables, herbs, meats, dairy products and seafood which includes potatoes, colored capsicum (red/yellow/orange), broccoli, lettuce, cauliflower, zucchini, purple cabbage, green cabbage, tomatoes, oranges, rock melon, honeydew melon, beef, prawns, bacon and cheese.
- » **Import Substitution:** Fiji imports a large amount of its agricultural products from Australia and New Zealand due to its lack of availability and local technology to support its production. Major import products include lamb, beef, chicken, pork, goat, milk, rice, potatoes, spices and fruits.
- » **Farm and Export Fiji Products:** Fiji has potential to produce and export tropical fruits and vegetables provided that smart agricultural practices are undertaken. Fiji's main agricultural products are kava, taro, turmeric, ginger, cane sugar, cassava, spices, eggplant, pawpaw, chestnut, guava, mango, okra and lemongrass.
- » **Value Addition and Agro Processing:** The seasonality of fruits and vegetables brings the opportunity for value addition and preservation practices.

INCENTIVES

COMMERCIAL AGRICULTURE AND AGRO-PROCESSING

The income of any new activity in commercial agricultural farming and agro-processing approved and established on or after 1 August 2021 shall be exempt from tax as follows:

- » Capital investment from FJ\$100,000 to FJ\$250,000 for a period of 5 consecutive fiscal years; or
- » Capital investments from FJ\$250,001 to FJ\$1,000,000 for a period of 10 consecutive fiscal years; or
- » Capital investment from FJ\$1,000,001 to

FJ\$2,000,000 for a period of 15 consecutive fiscal years; or

- » Capital investment above FJ\$2,000,001 for a period of 20 consecutive fiscal years.

EXPORT INCOME DEDUCTION

A 60% export income deduction is currently available to exporters. The agriculture, fisheries and forestry businesses are further incentivised with a 90% export income deduction to support new and existing businesses to venture into agriculture exports and increase access for farm produce to international markets. This incentive is available till 31 December 2025.

CUSTOMS CONCESSION

- » Importation of plant, machinery and equipment for initial establishment of the factory at rates of Free Fiscal, Free Import Excise and VAT applicable.
- » Importation of chemical required for bio-fuel production at rates of Free Fiscal, Free Import Excise and VAT applicable.
- » The importation of all agricultural items will be subject to Zero Duty (specialised machinery, equipment and agricultural inputs provided that a support letter is obtained from the Ministry of Agriculture.

LEGISLATIVE PROVISION

1. Income Tax (Commercial Agricultural Farming and Agro-Processing Business Investment Incentives) Regulations 2021.
2. Income Tax (Exempt Income) Regulations 2016, Part 9 Economic Development Exemptions.

Customs Tariff Act 1986, Part 3, Schedule 2.



Fiji is well known for its islands and its sea life, but as many more film makers are finding out, there is so much more to the locations. There are mountainous terrain, jungles, rivers, spectacular waterfalls, savannahs, lakes, rural and urban landscapes, heritage buildings and towns, and a very rich mosaic culture of i-Taukei (indigenous Fijians), Indian, Chinese, Pacific and European traditions. The literacy rate is high (education is mandatory and free up to high school), and our people are multi-skilled. English being the official business language is an added advantage, allowing ease of communication with locals.

Subsector: Film and Television

OPPORTUNITIES:

- » **Tropical Paradise Films:** Fiji's idyllic beaches, swaying palm trees, and crystal-clear waters are perfect for romantic comedies, family films, and even survival dramas with a stunning backdrop.
- » **Adventure Films:** Lush rainforests, hidden waterfalls, and volcanic landscapes provide an exciting playground for adventure films, action thrillers, or coming-of-age stories.
- » **Cultural Documentaries:** Fiji's rich cultural heritage, indigenous traditions, and vibrant festivals can be explored in captivating documentaries.
- » **Underwater Spectacles:** The underwater world of Fiji is teeming with marine life, making it ideal for nature documentaries or fantastical underwater adventures.
- » **Commercials:** Fiji's stunning visuals can be leveraged to create captivating commercials for tourism, luxury brands, or adventure gear.
- » **Reality TV Shows:** The tropical setting and adventurous activities can provide the perfect backdrop for reality competition shows or survival challenges.
- » **Independent Films:** Lower production costs

AUDIO VISUAL

compared to some other locations can make Fiji attractive for independent filmmakers.

- » **Co-productions:** Fiji actively seeks co-productions with international filmmakers, allowing for collaboration and a wider audience reach.
- » **Educational Films:** The diverse ecosystems and cultural practices can be documented in educational films or wildlife documentaries.
- » **Licensed audio-visual agents:** Fiji has a number of licensed audio-visual agents that offer a range of services, including logistical support, accounting services, and legal services.
- » **Connectivity:** Filming in some of the most remote and alluring locations while remaining connected via state-of-the-art communications technology.

INCENTIVES

F1/F2 INCENTIVES

The F1/F2 Audio Visual Production (AVP) incentives are schemes whereby a production entity can raise production finance from Fiji taxpayers. This allows Fiji taxpayers to claim a tax deduction of either 125% (F2 AVP) or 150% (F1 AVP) against their tax liability, depending on the project's ability to meet the requirements as set out under Part III of the Income Tax (Filmmaking and Audio-visual Incentives) Regulations 2016. The benefit is based on what is called "Qualifying Fiji Production Expenditure," or QFPE. This is otherwise known as "local spend," such as expenditures on local labour, local accommodation, and the hire of local equipment.

FILM TAX REBATE

- » 20% tax rebate on the expenditure incurred in Fiji and paid to Fiji Resident companies for goods and services.
- » Eligibility: films and television products, as per existing Income Tax (Film-making and Audio-visual Incentives) Regulations 2016.
- » Minimum spend in Fiji: \$250,000.
- » The maximum rebate payable per production will not be more than \$4 million.

- » Exclusions: Where a producer has chosen to access the film tax rebate, the producer will not be able to obtain any other tax concessions under Part 2, 3 & 4 of the Income Tax (Film-making and Audio-visual Incentives) Regulations 2016.
- » A 200% tax deduction will be available to companies investing in camera and other filming equipment for audio visual productions.
- » Income tax holiday will be available to companies who set up production facilities, including equipment, cameras, editing and postproduction studios.
- » Income tax exemption for a period of 7 years will be available, provided capital investments are more than \$2 million.
- » Import duty exemption on raw materials, plant, machinery and equipment (including spare parts) required for the establishment of the business.

CUSTOMS CONCESSIONS

Duty concession (Concession Code 302: broadcasting and network service provider) at the rate of Free Fiscal Duty and Free Import Excise will be extended towards the importation of transmission and graphic equipment and spare parts.

Fiscal duty on audio visual equipment as stipulated below, reduced to 0%:

- » Television cameras, digital cameras and video camera recorders;
- » Pocket-size radio cassette players; and
- » Radio receivers

LOCAL ARTISTS – ALLOWABLE DEDUCTION

- » The tax deduction for employment of local artists will be expanded to include all businesses that hire artists on a full-time basis.
- » The allowable tax deduction rate will be reduced from 300% to 150%.



Fiji's energy situation is characterised primarily by a high reliance on imported fuels. Therefore, the Government is committed to reducing the reliance on imported fossil fuels by incentivising energy generation through renewable energy sources in the country. In Fiji, some of the major sources of energy generation are:

- » Hydro, which caters for a significant demand for electricity needs;
- » Imported fossil fuels, and;
- » Biomass, which includes fuel-wood, and crop residues for cooking and industrial residues for power co-generation in the timber and sugar industries.

Subsector: Green Energy

ENERGY

OPPORTUNITIES

- » **Hydropower** – Fiji boasts abundant water resources with vast rivers and high precipitation. Opportunity exists for small and medium scale hydroelectrics.
- » **Bioenergy** - Fiji benefits from ample agricultural and forestry resources, including bagasse. This presents opportunities for biomass, biogas, and biofuel production.
- » **Solar energy** - With its tropical climate and abundant irradiation, Fiji is primed for solar energy utilization. Opportunities abound in solar panel installation, establishing solar farms, implementing water heating systems, battery storage systems, and providing off-grid solutions for rural areas.
- » **Wind energy** - Characterised by high wind speeds and strong power density, Fiji's coastal areas and highlands offer promising opportunities for wind turbine installation and the development of wind farms.
- » **Electric Vehicles** - Addressing the need for land mobility electric infrastructure, Fiji offers opportunities in establishing charging stations, promoting electric vehicles (cars, buses, motorcycles, and bikes), as well as supplying spare parts for maintenance.

INCENTIVES

ELECTRIC VEHICLE CHARGING STATION DEVELOPMENT PACKAGE

This incentive is specifically designed to assist companies undertaking development of an electric vehicle charging station.

Conditions

- » The project commences on or after 1 August 2016 and the project is completed within 2 years from the date of the provisional approval.
- » Capital investment (Excluding the cost of land) should exceed FJ\$50,000.
- » Applicable to companies engaged in the construction of a publicly available electric service equipment which has an

electric component assembly or cluster of component assemblies designed specifically to charge batteries within electric vehicles by permitting the transfer of electric energy to a battery or other storage device in an electric vehicle.

TAX BENEFIT

The income of any approved business is exempt from tax on profits derived from the operation of the station for a period of 7 years, given that the capital investment is above FJ\$50,000.

CUSTOMS CONCESSION

Duty concession on capital equipment, plant machinery and any other goods employed in the production of other goods but does not include furniture or motor vehicles.

BIO-FUEL PRODUCTION

Tax holiday is available to a taxpayer undertaking a new activity in processing agricultural commodities into biofuels upon approval from 1 January 2009 to 31 December 2028 and employing 20 local employees or more for each year for the duration of the income tax exemption.

To qualify, the taxpayer shall be exempt from tax as follows:

- » Capital investment from FJ\$250,000 to FJ\$1,000,000 for a period of 5 consecutive fiscal years; or
- » Capital investments from FJ\$1,000,001 to FJ\$2,000,000 for a period of 7 consecutive fiscal years; or
- » Capital investment above FJ\$2,000,001 for a period of 13 consecutive fiscal years.

LEGISLATIVE PROVISION

1. Income Tax (Electric Vehicle Charging Station Development Package) Regulations 2016.

Customs Tariff Act 1986, Part 3, Schedule 2.

LEGISLATIVE PROVISION

- » The tax holiday in relation to the Renewable Energy and Power Cogeneration projects will be increased from 5 years to 10 years.



Fiji's pristine ocean is teeming with valuable marine life, including swordfish, mahi-mahi, yellowfin tuna, bigeye tuna, marlin, and reef fish such as seabream, trevally, groupers, coral trout, and rock cods. Deep-water fish include snapper. Aquaculture products include prawns, seaweed, giant clams, and tilapia. The fisheries industry is crucial to the development and prosperity of the nation. The sector facilitates access to food sources, employment and income opportunities, sustainable subsistence, and contributes to the preservation of the ecosystem's biodiversity equilibrium when managed effectively.

Commercial fishing is the primary contributor to the sector, particularly offshore tuna harvests. Additionally, aquaculture, bech-de-mer, and other aquatic-derived products contribute. The most common types of commercial tuna are the bigeye and yellowfin. These are valuable commodities destined primarily for the markets of Japan and the United States.

OPPORTUNITIES

- » **Tilapia Farming:** Tilapias are mainly freshwater fish that are profitable as they are fast growing, easy to raise and can reproduce easily. Fiji is looking to regularise the sales of live tilapia in the municipal markets to promote tilapia as an alternative means of food security and income generation.

- » **Shrimp and Prawn Farming:** Prawn or shrimps are widely cultivated and highly valued species that are frequently traded within the hospitality and tourism industries worldwide. Fiji has introduced prospects for generating income through the cultivation of freshwater shrimp and prawns.

FISHERIES

- » **Seaweed Farming:** Seaweed farming represents an environmentally sustainable livelihood option for coastal communities especially for the women and youth groups.
- » **Cold Storage or Ice plant:** The archipelago consists of over 330 islands, of which about one hundred are inhabited. The two major islands are Viti Levu and Vanua Levu. The outer islands depend on ice plants to preserve the catch of the day.
- » **Tuna Processing Facilities:** Potential fish processing center sites have been identified in Fiji as a result of its geographical location, cost-effective manufacturing base, established industry presence, and supplementary factors including dependable and competitively priced utilities.
- » **Sea Cucumber Farming:** Sea cucumbers, classified as processed beche-de-mer, are a valuable marine commodity primarily exported to Asia. This revenue generation directly benefits communities spanning the Pacific.
- » **Pearl Farming:** The Pearl-producing Pinctada Margaritifera mollusk thrives in the pristine waters off the coast of Fiji. Particularly in the last two decades, the Fiji oyster has been successfully cultivated on pearl farms in Fiji, similar to the “black-lipped” Tahitian oyster. A variety of hues are available to suit individual preferences, including cranberry, blue, purple, green, and gold.

INCENTIVES

TAX FREE REGIONS

This incentive is available to a newly incorporated entity engaged in a new business established in the following areas;

Vanua Levu – included Taveuni, Rabi, Kioa and other islands generally included for Government administrative purpose in the Northern Division, Rotuma, Kadavu, Lomaiviti, Lau and Nausori-Lautoka region (from Nausori Airport side of the Rewa River (excluding township boundary) to the Ba side of the Matawalu River.

Any company may apply to the Minister for Economy in a prescribed form for an operating license.

TAX EXEMPTIONS AVAILABLE

The income tax exemption is as follows:

- » Capital investment from FJ\$250,000 to FJ\$1,000,000, for a period of 5 consecutive years; or
- » Capital investment from FJ\$1,000,001 to FJ\$2,000,000, for a period of 7 consecutive years; or
- » Capital investment above FJ\$2,000,000 for a period of 13 consecutive years.
- » Benefits under the Tax-Free Region
- » Duty concession on the importation of raw materials, machinery and equipment (including parts and materials) required for the initial establishment of the business at rates of Free Fiscal, Free Import Excise and VAT applicable.
- » Additional 5 years of income tax exemption is available to any company granted a license and having indigenous Fijian landowner equity of at least 25 percent.

EXPORT INCOME DEDUCTION

A 60% export income deduction is currently available to exporters. The agriculture, fisheries and forestry businesses are further incentivised with a 90% export income deduction. This incentive is available till 31 December 2025.

COLD STORAGE FACILITY

1. A person is allowed a deduction for 200% of the amount of expenses incurred for the construction of a cold storage facility in—
 - ii. agriculture areas for agriculture purposes; or
 - iii. rural and maritime areas for agriculture or fishing purposes.
2. In addition to sub regulation (1), a person shall be granted a 10% investment rebate when the construction of a cold storage facility is completed.
3. In this regulation, “cold storage facility” refers to a permanent structure, room or building mechanically cooled by refrigeration machinery that is used for agriculture or fishing purposes.



The economic progress of Fiji has been significantly influenced by the forest sector ever since the sandalwood trades of the early 19th century. In order to improve the standard of living of forest dependents and promote socioeconomic development, the Government is dedicated to enhancing the forestry sector through close collaboration with the pine and mahogany industries as well as forest resource proprietors.

Fiji's wood products have penetrated many international markets. Fiji's high-quality mahogany timber attracts the attention of the United States of America, whereas woodchips have a lengthy history of exportation to Japan. Among the additional nations that have purchased timber products from Fiji are China, Australia, and New Zealand.

Forestry is a viable sector that has contributed to and supported the growth of a few other sectors and industries. It is also a vital source of energy, employment, livelihood and ecological integrity. Softwood plantations mainly of Pine (*Pinus caribaea*) are established in the Western Division, while Hardwood plantations of Mahogany (*Swietenia macrophylla*) have been established on logged rainforests, on the Eastern and Central parts of the larger islands.

Subsector: Value Added Products, Woodchips and Mahogany Logging and Bioenergy production.

FORESTRY

OPPORTUNITIES

- » **Woodchips and Mahogany** - There has been a high demand for woodchips and mahogany products from Fiji.
- » **Value Addition** - Increase value added from the forest sector by diversifying to other timber species, non-timber and non-wood products such as bamboo, sandalwood, cocowood, candlenut and beach mahogany, creating employment opportunities, and contributing to economic growth.
- » **Carbon Credits** - Fiji can explore opportunities for trading carbon credits or offering environmental services such as ecotourism, carbon offset projects, and conservation agreements with international partners.
- » **Eco-Tourism** - Fiji's Natural Forests give it a good opportunity to offer recreational facilities like lodges and hiking trails.
- » **Bioenergy production** - This is by using forestry residues and biomass for renewable energy generation.

INCENTIVES

TAX FREE REGIONS

This incentive is available to a newly incorporated entity engaged in a new business established in the following areas;

Vanua Levu – included Taveuni, Rabi, Kioa and other islands generally included for Government administrative purpose in the Northern Division, Rotuma, Kadavu, Lomaiviti, Lau and Nausori-Lautoka region (from Nausori Airport side of the Rewa River (excluding township boundary) to the Ba side of the Matawalu River.

Any company may apply to the Minister for Finance in a prescribed form for an operating license.

TAX EXEMPTIONS AVAILABLE

The income tax exemption is as follows:

- » Capital investment from FJ\$250,000 to FJ\$1,000,000, for a period of 5 consecutive years; or
- » Capital investment from FJ\$1,000,000 to FJ\$2,000,000, for a period of 7 consecutive years; or
- » Capital investment above FJ\$2,000,000 for a period of 13 consecutive years.

BENEFITS UNDER THE TAX-FREE REGION

- » Duty concession on the importation of raw materials, machinery and equipment (including parts and materials) required for the initial establishment of the business at rates of Free Fiscal, Free Import Excise and VAT applicable.
- » Additional 5 years of income tax exemption is available to any company granted a license and having indigenous Fijian landowner equity of at least 25 percent.

EXPORT INCOME DEDUCTION

A 60% export income deduction is currently available to exporters. The agriculture, fisheries and forestry businesses are further incentivised with a 90% export income deduction. This incentive is available till 31 December 2025.

CARBON TRADING

- » The income of businesses engaged in carbon trading will be exempted from income tax.



Fiji's health care system consists of both the public and private sectors, with private services playing a complementary role to those delivered in the public sector. The demand for privately delivered services is projected to increase as Fiji's economy advances. In Fiji, similar to other developing countries, there is an increase in life expectancy. Simultaneously, there is an increasing number of individuals who are experiencing chronic, nonfatal diseases like diabetes, requiring ongoing monitoring and management.

The rise in noncommunicable diseases is anticipated to increase the demand for elective, or non-urgent, surgical operations. A greater focus on disease prevention is anticipated which results in higher demand for screening and products that promote healthier lifestyles. Consequently, the private healthcare industry in developing economies presents attractive investment opportunities, both in terms of financial gain and societal impact.

HEALTH

OPPORTUNITIES

- » **Private Health Care Hospitals:** Specialised care centers focusing on specific areas like oncology, cardiology, neurosurgery and orthopedics to cater for complex medical needs.
- » **Pharmaceutical Manufacturing:** Investing in pharmaceutical manufacturing can contribute to improving access to healthcare.
- » **Development and refurbishment of healthcare infrastructure:** The present infrastructure in Fiji is insufficient to accommodate the growing population of the nation. Investing in development and refurbishment of healthcare infrastructure such as hospitals, clinics, diagnostic centers with modern facilities can facilitate the gap of service provision.
- » **Increase Demand for Rehabilitation Hospitals:** Fiji has hosted several international matches over the years. This presents an opportunity to construct a rehabilitation hospital outfitted with cutting-edge technology for the rehabilitation of players.
- » **Advanced Medical Technology:** Advance digital technologies can enhance the healthcare provided to patients. This would enhance the availability of comprehensive electronic medical records for both healthcare professionals and patients nationwide.

INCENTIVES

PRIVATE HOSPITAL

A private hospital means a building or premises where persons suffering from any sickness, injury or infirmity are given medical or surgical treatment, but does not include a hospital or other establishment or institution operated or maintained by the Government or a sick bay or first aid post maintained by a commercial or industrial undertaking for the benefit of its employees and their families.

CONDITIONS

- » The project commences on or after 1 August 2020 and is completed within 2 years from the date of the provisional approval.
- » Loss carried forward of 8 years.
- » Capital investment includes the cost of support infrastructure and overseas consultant fees but excludes the cost of land.

TAX BENEFIT

EXTENSION, REFURBISHMENT OR RENOVATION OF EXISTING PRIVATE HOSPITAL

The approved company undertaking extension of an existing private hospital or any refurbishment or renovation, is entitled to investment allowance on the Total Capital Expenditure (TCE), based on the range of capital investment:

- » FJ\$500,000 - FJ\$1,000,000: 30% of the TCE (less the cost of any land acquired); and
- » Exceeding FJ\$1,000,000: 60% of the TCE (less the cost of any land acquired).

ESTABLISHMENT OF NEW PRIVATE HOSPITAL

Income of the approved company undertaking establishment of a new private hospital, including the conversion of an existing building or premises into a new private hospital and the extension of an existing hospital or any renovation or refurbishment, will be exempt from tax as follows:

- » Capital investment from FJ\$2,500,000 to FJ\$5,000,000 for a period of 7 years;
- » Capital investment from FJ\$5,000,001 to FJ\$10,000,000 for a period of 13 years;
- » Capital investment of more than FJ\$10,000,001 for a period of 20 years.

CUSTOMS CONCESSIONS

Approved companies under the Income Tax (Medical Investment Incentives) Regulations 2016 are eligible for Duty concession under Code 292 for the following items:

- » Medical, hospital, dental and surgical goods at a rate of Free Fiscal Duty, Free Import Excise and Free VAT.
- » Capital goods (capital equipment, plant, machinery and any other goods as approved by the Comptroller) at a rate of Free Fiscal Duty, Free Import Excise and Free VAT.

ANCILLARY MEDICAL SERVICES

Ancillary medical services mean services provided by a company including pathology lab services, Magnetic Resonance Imaging services (MRI) and other diagnostic services.

CONDITIONS

- » The project commences on or after 1 August 2020 and is completed within 2 years from the date of the provisional approval.
- » Loss carried forward of 8 years.
- » Capital investment includes the cost of support infrastructure and overseas consultant fees but excludes the cost of land.

TAX BENEFIT

EXTENSION, REFURBISHMENT OR RENOVATION OF EXISTING ANCILLARY MEDICAL CENTRE

The approved company undertaking extension of an existing ancillary medical centre or any refurbishment or renovation, is entitled to investment allowance on the Total Capital Expenditure (TCE), based on the range of capital investment:

- » FJ\$500,000 - FJ\$1,000,000: 30% of the TCE (less the cost of any land acquired); and
- » Exceeding FJ\$1,000,000: 60% of the TCE (less the cost of any land acquired).

ESTABLISHMENT OF NEW ANCILLARY MEDICAL CENTRE

Income of the approved company undertaking establishment of centres for the provision of ancillary medical services, will be exempt from tax as follows:

- » Capital investment from FJ\$2,500,000 to FJ\$3,000,000 for a period of 7 years;
- » Capital investment from FJ\$3,000,001 to FJ\$10,000,000 for a period of 13 years;
- » Capital investment of more than FJ\$10,000,001 for a period of 20 years.

DRUG REHABILITATION CENTRE

A new incentive with tax holidays and import duty concessions will be available for companies setting up a specialised Drug Rehabilitation Centre. The tiers of tax holidays are as follows:

- » Capital investment from FJ\$250,000 to FJ\$1,000,000 for a period of 5 years;
- » Capital investment from FJ\$1,000,001 to FJ\$2,000,000 for a period of 7 years;
- » Capital investment of more than FJ\$2,000,001 for a period of 13 years.

LEGISLATIVE PROVISION

1. Income Tax (Medical Investment Incentives) Regulations 2016.
2. Customs Tariff Act 1986, Part 3, Schedule 2.





One of the most thriving sectors within Fiji's growing economy is the manufacturing sector. This sector includes textiles, garments, footwear, sugar, tobacco, food processing, beverages (including mineral water), and wood-based industries. Value-added opportunities are also being promoted by the Fiji Government to all sectors for export purposes. For this purpose, Government offers good geological potential, transparent fiscal policies, political stability, and a sound regulatory environment.

Manufacturing has immense potential in Fiji. The Fiji Government is building a sustainable and globally competitive manufacturing sector through targeted assistance and a sound enabling environment for the private sector.

OPPORTUNITIES

- » **Nearshoring:** Fiji is situated in a strategic geographical location whereby there is proximity to large markets such as Australia, Papua New Guinea, New Zealand, and the United States of America. With Fiji's availability of land and warehouse spaces, competitive labor rates, and international and regional connectivity, Fiji can be an ideal location for nearshoring strategies.
- » **Access to Markets:** Being well-connected by sea and air allows manufacturers based in Fiji to access a wide range of international markets, including Australia, New Zealand, North America, and Asia.
- » **Import Substitution & Regional Export Hub:** Import Substitution is another opportunity that investors can explore further in terms of manufacturing. Historically, Fiji has been an economy that is heavily reliant on imports, and according to the Fiji Bureau of Statistics (FBOS), Fiji has always had a negative trade balance. Additionally, there are certain products and commodities that Fiji imports that have the potential to be manufactured domestically. A few products that are imported that have the potential to be manufactured locally are:
 - Cassava Starch/Flour
 - Clothing and footwear

MANUFACTURING

- Stock Feed
- Value-added food products
- Dairy Products
- » **Value addition to agricultural products:** Fiji has a strong agricultural sector, with products like sugar, coconut, and fruits being major exports. There is significant potential to add value to these products through processing and manufacturing, such as creating coconut oil, fruit juices, and jams. This can create higher-value exports and boost the Fiji economy through activities like refining sugar, producing juices, or creating specialty food items for niche markets.
- » **Food & beverage processing:** Fiji has a growing tourism industry, which creates demand for high-quality food and beverages. There is also potential to export processed food and beverages to the region and beyond. This could include products like bottled water, snacks, and ready-made meals.
- » **Textiles and Garments:** The textile and garment industry has been a traditional sector in Fiji. There's potential for expansion and modernisation in this sector, especially focusing on sustainable and eco-friendly practices. These include products such as raincoats, life jackets, rugby socks, and digital printery.
- » **Eco-friendly and organic products:** There is a growing global demand for eco-friendly and organic products. Fiji is well-positioned to capitalise on this trend, given its natural resources and sustainable practices. Opportunities exist for manufacturing products like organic clothing, cosmetics, and food items.

INCENTIVES

MANUFACTURE OF PHARMACEUTICAL PRODUCTS INVESTMENT PACKAGE

This incentive is specifically designed to assist companies engaged in the process of refining, manipulating and mixing a pharmaceutical product; excluding the process carried out by a pharmacist and including an existing manufacturer of pharmaceutical products.

TAX BENEFIT

Income of the approved person/company will be exempt from tax as follows:

- » Capital investment from FJ\$250,000 to FJ\$1,000,000 for a period of 5 consecutive fiscal years; or
- » Capital investment from FJ\$1,000,001 to FJ\$2,000,000 for a period of 7 consecutive fiscal years; or
- » Capital investment above FJ\$2,000,001 for a period of 13 consecutive fiscal years.

CONDITIONS

- » Applicable to companies engaged in the development of a building for the manufacture of pharmaceutical products.
- » Project with capital investment (including the cost of support infrastructure and consultant fees but excluding the cost of land) over \$250,000.
- » The project commences on or after 1 August 2019 and the building is completed within 2 years from the date of the provisional approval.
- » The company should have valid approval to manufacture pharmaceutical products from Fiji Pharmacy Board.

CUSTOMS CONCESSION

Companies or entities engaged in the manufacture of pharmaceutical products are eligible for duty concessions under Code 294. The eligible items include:

- » Ethanol at a rate of Free Fiscal Duty, Free Import Excise and VAT applicable;
- » All raw materials used to manufacture approved pharmaceutical products at a rate of Free Fiscal Duty, Free Import Excise and VAT applicable; and
- » Machinery equipment and accessories used in the manufacture of pharmaceutical products at a rate of Free Fiscal Duty, Free Import Excise and VAT applicable.

LEGISLATIVE PROVISION

Part 2, Income Tax (Manufacture of Pharmaceutical Products Investment Package) Regulations 2019.



The most widely mined materials worldwide, including Fiji, are sand, gravel, and crushed stone. Small-scale mining significantly dominates the mining and quarrying of construction materials in Fiji. Through improved management practices, the small-scale mining and quarrying of construction materials may contribute to more efficient global resource production and consumption.

Groundwater is a valuable resource stored in a natural reservoir, the aquifer. In general, it is a very pure water source free from contamination. The ground acts as a natural filter to these contaminants so groundwater is relatively pure, but care must still be taken not to pollute aquifers.

Groundwater is one such resource that is becoming 'new again' in Fiji making its way back and fast becoming an important source of life for many communities, also contributing significantly to economic growth and external trade.

MINING & GROUNDWATER

OPPORTUNITIES

- » **Bottling Plants:** The success of water exports has further given confidence to entrepreneurs to develop bottling plants indicating market growth potential for groundwater from Fiji.
- » **Extraction of Minerals:** Set up plants for the extraction of rock and sand products for road materials, concrete aggregate and landfill and coral sand for cement manufacturing.

INCENTIVES

TAX FREE REGIONS

This incentive is available to a newly incorporated entity engaged in a new business established in the following areas;

Vanua Levu – included Taveuni, Rabi, Kioa and other islands generally included for Government administrative purpose in the Northern Division, Rotuma, Kadavu, Lomaiviti, Lau and Nausori-Lautoka region (from Nausori Airport side of the Rewa River (excluding township boundary) to the Ba side of the Matawalu River.

Any company may apply to the Minister for Finance in a prescribed form for an operating license.

TAX EXEMPTIONS AVAILABLE

The income tax exemption is as follows:

- » Capital investment from FJ\$250,000 to FJ\$1,000,000, for a period of 5 consecutive years; or
- » Capital investment from FJ\$1,000,000 to FJ\$2,000,000, for a period of 7 consecutive years; or
- » Capital investment above FJ\$2,000,000 for a period of 13 consecutive years.

BENEFITS UNDER THE TAX-FREE REGION

- » Duty concession on the importation of raw materials, machinery and equipment (including parts and materials) required for the initial establishment of the business at rates of Free Fiscal, Free Import Excise and VAT applicable.
- » Additional 5 years of income tax exemption is available to any company granted a license and having indigenous Fijian landowner equity of at least 25 percent.

CUSTOMS CONCESSION

Concession code 252 on Companies or entities involved in mining industry will be extended to include companies involved in mining exploration.

WATER EXTRACTION & BOTTLING BUSINESS

Any existing or new businesses involved in the extraction and bottling of water will be exempt from Income Tax for 7 years.



Fiji is fortunate to have a well-established and rapidly growing BPO and ICT industry with real potential to continue to grow and provide significant support to the Fiji economy. Fiji's BPO industry has expanded significantly over the past decade, and Fiji is now positioned as the leading BPO offshore destination for the Pacific region.

This is evident as Fiji has managed to secure its position by attracting major and renowned BPO investors to reposition their back-office processing in Fiji. This success has been made possible through the support of the Fiji Government, the improved infrastructure and technological facilities, and the leveraging of Fiji's many natural and other advantages, which make Fiji the ideal choice for BPO service delivery.

As Fiji delves into the diversification of its major industries, business process outsourcing provides a real and tangible alternative to Fiji's traditional areas of focus, contributing to the country's economic growth and providing new jobs to its young population. Today, Fiji has several contact centers providing outsourcing services for well-known brands across the globe and is continuing to grow.

Subsectors: Business Process Outsourcing, Knowledge Processing Outsourcing, and Information Technology Outsourcing

OUTSOURCING & ICT

OPPORTUNITIES

- » **Availability of Real Estate Properties:** Modern office buildings and outsourcing-ready offices.
- » **Availability of Technology:** cutting-edge communications infrastructure, including a high-speed network offering 5.4 Tbps.
- » **Supportive Ecosystem:** A developed Government support structure for international companies looking to set up.

INCENTIVES

The ICT incentive is designed to cater specifically to companies engaged in various outsourcing services such as 'Business Process Outsourcing (BPO)', 'Knowledge Process Outsourcing', 'Information Technology Outsourcing', and 'Shared Services/Global Business Services'. To benefit from this incentive, companies are required to register with the BPO Council of Fiji, which is also known as Outsource Fiji.

TAX INCENTIVE AVAILABLE FOR BPO OPERATORS

- » 5-year tax holiday for investment between FJ\$100,000 to FJ\$250,000 and minimum of 25 employees;
- » 7-year tax holiday for investment between FJ\$250,001 to FJ\$500,000 and minimum of 50 employees;
- » 10-year tax holiday for investment between FJ\$500,001 to FJ\$1,000,000 and minimum of 75 employees;
- » 13-year tax holiday for investment greater than FJ\$1,000,000 and minimum of 100 employees



Fiji's renowned culture of hospitality and resourcefulness delivers exceptional value for investors. There are many examples of commercial success resulting from investment ventures by international partners.

The Tourism Industry in Fiji is largely regarded as an important driver for the Fiji economy. Growth in the industry is becoming more broad-based, with increased benefits trickling down to the grassroots level, expanding eco-tourism and tourism-related activities. With strong market demand and extensive Government support and Incentives, Fiji continues to attract the world's best-known and best-loved brands in the tourism and hospitality industries, from global giants to independent and boutique names.

The industry offers a wide range of services and facilities to suit the needs of its markets, ranging from ecotourism to high-end tourism products. Fiji is known to have several critical competitive advantages in relation to tourism options and sustainable development, such as its warm tropical climate and rich cultural diversity. The growth in international visitor arrivals anticipates a conforming increase in capacity requirements and demand for new products, facilities, and services, thus paving the way for local and foreign investment opportunities. Fiji offers lucrative hotel industry incentives via the Fiji Revenue and Customs Authority under the Income Tax (Hotel Incentives) Regulations 2016, with encouraging amendments and extensions in the recent budget announcement.

Subsector: Traditional Tourism

OPPORTUNITIES

- » **Accommodation Gap:** The growth in international visitor arrivals requires an associated increase in capacity and new products, facilities, and services, thus paving the way for investment opportunities. In the short to medium term, additional rooms are required to meet growing demand.
- » **Supporting Infrastructure:** Essential services and infrastructure are needed to accommodate increased demand and ensure all areas are accessible, especially the outer islands. As such, opportunities exist for the development of inter-island transfer boats, seaplanes, cruise/yacht terminals, etc.

TOURISM

- » **Attractions, Entertainment, & Tours:** To enhance the visitor experience, there is a need to invest in tourist attractions such as culture, heritage, and entertainment. For example, museums, cultural centers, bars, and nightclubs serve as anchor attractions in highly dense tourism areas such as Nadi.
- » **Theme Parks:** Potential to develop theme parks to attract the growing number of amusement and water park enthusiasts.

SUBSECTOR: SPORT TOURISM OPPORTUNITIES

- » **State of the Art Sports Facilities:** Fiji aims to enhance the quality of sports infrastructure, attracting international sporting events and creating opportunities for local athletes to excel on a global stage.
- » **Sports-Focused Packages:** The potential to develop sports-focused packages considering that Fiji has hosted a number of international sporting events, which included the Pacific Nations Cup, the Netball World Cup Oceania qualifier, and the OFC Women's Nations Cup. Fiji is also a scene for active Sports Tourism activities such as Eco Challenge, the Survivor series, the Namosi Marathon, and SPARTAN, where participations bring huge ripple effects.
- » **Ancillary Events:** These events, positioned around the main event, can provide additional opportunities for partner activation and exposure. They are also a means to enhance fan connectivity.
- » **E-sports:** Cutting-edge communications infrastructure and the availability of auditoriums to host such events.

SUBSECTOR: MEDICAL TOURISM OPPORTUNITIES

- » **Medical Facilities:** Improving medical facilities and more medical infrastructure for the large number of elderly tourists.

- » **Cosmetic Services:** Set-up of facilities for surgical and non-surgical cosmetic treatments while enjoying Fiji's beautiful landscape.
- » **Retirement Village:** Setup aged care facility and retirement village as most of the ageing population including Fiji diaspora like warmer and tropical climate.

INCENTIVES

STANDARD ALLOWANCE

This incentive is specifically designed to assist in the construction of new hotels, renovation and refurbishment and extension of existing hotels or integrated tourism development.

CONDITIONS

- » Approved hotels shall commence construction of the project within two years from the date the provisional approval was granted. Investment Allowance can only be written-off against the income of the hotel business or income from the hotel premises.
- » There should not be any shift of tax revenue to other countries.

TAX BENEFIT

Investment Allowance of 25% of total capital expenditure is allowed as a deduction.

TAX INCENTIVE FOR TOUR OPERATORS

- » A new incentive with a 25% investment allowance will be available to new investments made by businesses involved in providing a tour activity in Fiji. Tour activity means any approved non-accommodation activity provided by a registered business and includes beach clubs, diving, snorkeling, trekking, surfing, zip lining, river safaris, kayaking, tubing, water parks, and nature tours.
- » The minimum threshold to qualify for the investment allowance is \$100,000.

SHORT LIFE INVESTMENT PACKAGE (SLIP)

This incentive is designed to assist:

- » The construction of new hotels and integrated tourism development; and
- » The company applying for a short life investment package is carrying out the short life investment project as its first business.
- » 20-year tax holiday available to new hotels and to companies who acquire existing hotels & resorts to undertake extensions & refurbishments over FJ\$50,000,000

CONDITIONS

- » The approved project shall be completed within 24 months from the date the provisional approval was granted.
- » SLIP Incentives is also available for retirement resorts and hospital resorts, provided the length of stay is not more than 3 months.

TAX BENEFIT

The income of any approved new hotel will be exempt from tax as follows:

- » Capital investment from FJ\$250,000 to FJ\$1,000,000 for 5 consecutive fiscal years; or
- » Capital investment from FJ\$1,000,001 to FJ\$2,000,000 for 7 consecutive fiscal years; or
- » Capital investment from FJ\$2,000,001 to FJ\$40,000,000 for 13 consecutive fiscal years; or
- » Capital investment above FJ\$40,000,000 for 20 consecutive fiscal years.

CUSTOMS CONCESSIONS

Approved companies under the SLIP incentive are eligible for duty concession under:

- » Code 235A of the Customs Tariff on building materials, furnishings and fittings, equipment including front office equipment, room amenities, kitchen and dining room equipment and utensils, specialised water sports equipment e.g. water bikes and other similar goods at a rate of 3% Fiscal Duty; and
- » Code 244 of the Customs Tariff on all capital goods (including capital equipment, plant & machinery including building materials, furnishings and fittings, room amenities, kitchen and dining room equipment and utensils and specialised water sports equipment) not available in Fiji, at a rate of 0% fiscal duty.

OTHER INCENTIVES EXEMPT INCOME BACKPACKER OPERATORS

In accordance with Part 9, Income Tax (Exempt Income) Regulations 2016, locally owned backpacker operators are exempt from income tax provided their annual gross turnover is not exceeding FJ\$1,000,000.

JET SKIS

In accordance with Code 270 to Part 3 of the Customs Tariff, approved companies registered to operate water sports related businesses and other tourism related activities are eligible for duty concession for jet skis at a rate of 5% Fiscal Duty, Free Import Excise and VAT applicable.

EXISTING HOTELS AND RESORTS

In accordance with Code 235 of Part 3 of the Customs Tariff, approved hotels and resorts are eligible for duty concession on building materials, furnishings and fittings, equipment including front office equipment, room amenities, kitchen and dining room equipment/utensils, specialised water sports equipment e.g. water bikes and other similar goods.

LEGISLATIVE PROVISION

1. Income Tax (Hotel Investment Incentives) Regulations 2016
2. Income Tax (Exempt Income) Regulations 2016.
3. Customs Tariff Act 1986, Part 3, Schedule 2.

RETIREMENT VILLAGE INCENTIVES

This incentive is specifically designed to encourage investment in the construction of retirement villages and aged care facilities.

CONDITIONS

- » Applicable to companies engaged in development of a retirement village or aged care facility, equipped with facilities, services (including health services) and amenities suitable for retirees.
- » Capital investment over FJD 250,000.
- » The project should be completed within 2 years from the date the provisional approval was granted.

TAX BENEFIT

Income of the approved company will be exempt from tax as follows:

- » Capital investment from FJD250,000 to FJD1,000,000, for a period of 5 consecutive fiscal years;
- » Capital investment from FJD 1,000,001 to FJD2,000,000, for a period of 7 consecutive fiscal years; and
- » Capital investment of more than FJD2,000,001, for a period of 13 consecutive fiscal years.

CUSTOMS CONCESSIONS

Companies or entities engaged in the construction of retirement village are eligible for duty concessions under Code 297 for importation of raw materials, machinery and equipment (including parts and materials) for the initial establishment of the facility at a rate of Free Fiscal Duty, Free Import Excise and depending on the type of good, the VAT applicable.

LEGISLATIVE PROVISION

Part 2, Income Tax (Retirement Village Incentives) Regulations 2019

ADDITIONAL INCENTIVES

RESIDENTIAL HOUSING DEVELOPMENT PACKAGE

This incentive is specifically designed to encourage investment in the development of residential housing/units and ensure availability of affordable housing to the people of Fiji.

CONDITIONS

- » The project should commence on or after 01 January 2016; and
- » The building should be completed within 2 years from the date the provisional approval was granted.
- » Capital investment (including the cost of support infrastructure and overseas consultant fees but excluding the cost of land) should exceed FJD2,000,000;
- » The development should have at least 20 residential housing units;
- » The sale price of a unit should be below \$300,000 (VIP):
 - In the case of a ground level development, for at least 15% of the units in the development; and
 - In the case of a multi-storey development, for at least 15% of the units on each storey for the first 5 storeys of the development.

TAX BENEFIT

- » Income Tax Exemption: developer profits from the sale of residential units shall be exempt from tax;
- » Tax Rebate -the owner will be eligible for a rebate on the Total Capital Expenditure (TCE), based on the following sale price per unit range 1:
 - Less than FJD100,000 - 7% of TCE;
 - FJD100,001- FJD200,000: 5% TCE; and
 - FJD200,001- FJD300,000: 3% Of TCE.

CUSTOMS CONCESSION

Approved companies engaged in the development of residential housing/ units are eligible for duty concession under Code 293 for capital goods including capital equipment, plant, machinery and other goods at a concessionary rate of Free Fiscal Duty, Free Import Excise and VAT applicable. This does not include kitchenware, raw materials, furniture and other prescribed goods.

NEW RESIDENTIAL HOUSING DEVELOPMENT PACKAGE

CONDITIONS

- » The project should commence on or after 01 August 2022; and
- » The Building should be completed within 2 years from the date the provisional approval was granted.
- » Capital investment (including the cost of support infrastructure and overseas consultant fees but excluding the cost of land) should exceed FJD5,000,000;
- » The development should have at least 10 residential housing units;

TAX BENEFIT

- » Income Tax Exemption: 50% developer profits from the sale of residential units shall be exempt from tax

CUSTOMS CONCESSION

Approved companies engaged in the development of residential housing/ units are eligible for duty concession under Code 293 for capital goods including capital equipment, plant, machinery and other goods at a concessionary rate of Free Fiscal Duty, Free Import Excise and VAT. This does not include kitchenware, raw materials, furniture and other prescribed goods.

LEGISLATIVE PROVISION

1. Income Tax (Residential Housing Development Package) Regulations 2016
2. Customs Tariff Act 1986, Part 3, Schedule 2.

RE-CYCLING BUSINESS INVESTMENT PACKAGE

This incentive is specifically designed to assist companies establishing a new recycling business, factory or plant that is engaged in the recycling of waste materials into a recycled product, material or substance.

CONDITIONS

- » The project commences on or after 1 August 2021 and the project is completed within 2 years from the date of the provisional approval.
- » The company should have obtained a letter from the Department of Environment confirming that the screening process for EIA or EIA has been undertaken and is approved by the Department.
- » The recycled product must meet the applicable national or international quality standard

TAX BENEFIT

The income of any approved new recycling business will be exempted from tax as follows:

- » Capital investment from FJD250,000 to FJD500,000, for a period of 3 consecutive fiscal years; or
- » Capital investment from FJD500,001 to FJD2,000,000, for a period of 5 consecutive fiscal years; or
- » Capital investment from FJD2,000,001 to FJD5,000,000, for a period of 10 consecutive fiscal years, or Capital investment from FJD5,000,001 to FJD10,000,000, for a period of 15 consecutive fiscal years, or
- » Capital investment above FJD10,000,000 for a period of 20 consecutive fiscal years.

CUSTOMS CONCESSION

Approved companies engaged in the recycling business are eligible for duty concessions under Code 306 of the Customs Tariff or importation of raw materials, machinery and equipment including spare parts at a rate of Free Fiscal Duty, Free Import Excise and depending on the type of good, the VAT applicable.

LEGISLATIVE PROVISION

1. Income Tax (Recycling Business Investment Incentives) Regulations 2021.
2. Customs Tariff Act 1986, Part 3, Schedule 2.

GOVERNMENT BUILDING INVESTMENT INCENTIVE

This incentive is specifically designed to assist companies engaged in the construction, renovation or refurbishment of a building to be used by the Government or an entity approved by the Government.

CONDITIONS

- » The project must commence on or after 1 August 2020 and the project shall be completed in accordance with the terms agreed to by the applicant and the Government or entity approved by the Government.
- » The person or company should have evidence that the Government or the entity approved by the Government has given the applicant a written undertaking to use the building upon completion of the project.

TAX BENEFIT

The approved company is entitled to tax exemption on the rental income derived from the lease of the building.

CUSTOMS CONCESSIONS

Approved companies engaged in the construction, renovation or refurbishment of a building used by the Government or entity approved by the Government

are eligible for duty concessions under Code 300 of the Customs Tariff for importation of raw materials, plant, equipment and machinery at a rate of Free Fiscal Duty, Free Import Excise and depending on the type of good, the VAT applicable.

LEGISLATIVE PROVISION

1. Income Tax (Government Building Investment Incentives) Regulations 2020.
2. Customs Tariff Act 1986, Part 3, Schedule 2.

MARITIME VESSELS INVESTMENT ALLOWANCE

This incentive is specifically designed for persons who wish to construct, renovate or refurbish a sea-going vessel in Fiji.

CONDITIONS

- » The vessel should be built in Fiji at a minimum investment level of FJD250,000.
- » The vessel should have a Maritime Safety Authority of Fiji (MSAF) approved Plan.
- » Only vessels that is wholly or principally engaged in the carriage of tourists within Fiji and provides accommodation for more than 3 nights are eligible for refurbishment or renovation.
- » Existing vessels undergoing refurbishment and renovation should be in operation for a period of not less than 5 years.

TAX BENEFIT

Investment allowance of 55% of total capital expenditure incurred in the construction of the vessel is allowed as a deduction.

LEGISLATIVE PROVISION

1. Income Tax (Maritime Vessels Investment Allowance) Regulations 2016.

DONATIONS TOWARDS START UPS

A 150% tax deduction will be available for donations made by a business towards Accredited Start-Up Support Programs such as accredited startup incubators, accelerators, and entrepreneurship development programs.

SUB-DIVISION OF LAND INCENTIVE

This incentive is specifically designed to assist individuals/companies undertaking subdivision of land for residential or commercial purposes.

CONDITIONS

- » The project must commence on or after 1 August 2020 and the project commences within 2 years from the date of the provisional approval.
- » Applicable to persons/companies engaged in the subdivision of land for residential or commercial purposes and includes works undertaken to acquire an approval for the subdivision of land under the Subdivision of Land Act 1937.

TAX BENEFIT

Upon final approval, the income of the approved person/ company shall be exempt from tax on developer profits derived from the project.

CUSTOMS CONCESSION

Companies or entities engaged in subdivision of land are eligible for duty concessions under Code 299 of the Customs Tariff for importation of raw materials, equipment and machinery at a rate of Free Fiscal Duty, Free Import Excise and depending on the type of good, the VAT applicable.

LEGISLATIVE PROVISION

1. Income Tax (Subdivision of Land Incentives) Regulations 2020.
2. Customs Tariff Act 1986, Part 3, Schedule 2.

DONATIONS TOWARDS PUBLIC HEALTH

A 100% tax deduction will be allowed for donations made by a business to health centers, nursing stations, aged care facilities, orphanages and drug rehabilitation centers.

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TAX FREE REGION INCENTIVE

This incentive is available to a newly incorporated entity engaged in a new business established in the following areas;

- » Vanua Levu - included Taveuni, Rabi, Kioa and other islands generally included for governments administrative purpose as being in the Northern Division.
 - Rotuma
 - Kadavu
 - Lomaiviti
 - Lau
- » Nausori-Lautoka region (from Nausori Airport side of the Rewa River (excluding township boundary) to the Ba side of the Matawalu River)
- » Naboro - for companies that are engaged in waste management business only
- » Tamavua ICT Park - for companies that are engaged in ICT business as defined in the Income Tax (Tax Free Region Incentives) Regulations 2016.
- » Pacific Koro Business Park – business approved to establish the park located at Kalabu, Valelevu.
- » The TFR will be extended to the Wainadoli region for businesses who invest in activities such as waste management, recycling and renewable energy.

CRITERIA FOR GRANT OF LICENCE

- » The company is a newly incorporated entity engaged in a new business; and
- » The minimum initial level of investment should be FJD250,000; or
- » The minimum initial level of investment for the Tamavua ICT Park should be FJD10,000,000

TAX BENEFIT

The income of any new activity approved and established in the region shall be exempt from tax as follows:

- » Capital investment from FJD250,000 to FJD1,000,000, for a period of 5 years; or
- » Capital investment from FJD1,000,001 to FJD2,000,000, for a period of 7 consecutive fiscal years; or
- » Capital investment above FJD2,000,000 for a period of 13 consecutive fiscal years.

CUSTOMS CONCESSION

Approved companies under the tax free region incentives are eligible for duty concession under Code 290, Code 295 (for waste recycling plants) and Code 304 (for ICT Park) of the Customs Tariff on the importation of raw materials, machinery and equipment (including spare parts and materials) required for the initial establishment of the business at rates of Free Fiscal, Free Import Excise and VAT applicable.

OTHER BENEFITS UNDER THE TAX FREE REGION

Additional 5 years of income tax exemption is available to any company granted a license and having indigenous Fijian landowner equity of at least 25 percent. Additional 7 years of income tax exemption is available to any hotel developer granted a license and having indigenous Fijian landowner equity of at least 25 percent.

EXISTING INDIGENOUS BUSINESS

Existing indigenous companies that are entirely owned by itaukei individuals are eligible to qualify for the TFR incentive provided it makes a new capital investment above FJD250,000.

LEGISLATIVE PROVISION

- » Income Tax (Tax Free Region Incentives) Regulations 2016.
- » Customs Tariff Act 1986, Part 3, Schedule 2.

AREAS THAT QUALIFY FOR THIS INCENTIVES



RESTRICTED ACTIVITIES

RESTRICTED ACTIVITIES & MINIMUM THRESHOLD

As per Investment Regulations 2022, the following list of activities have conditions which must be met by foreign investors who wish to pursue them:

Fiji Standard Industrial Classification (FSIC) 2010 Coding	Activity	Minimum investment threshold (FJD)	Conditions
Group 451; 452; 453; 454; 471; 472; 473; 474; 475; 476; 477; 478; 479	Retail business	\$500,000	
N/A	Nightclub, other than those operated within the vicinity of a hotel or resort	\$500,000	
N/A	Liquor bar, other than those operated within the vicinity of a hotel or resort	\$500,000	
Subclass 02201	Logging	\$500,000	Foreign investor must undertake value adding
Group 031	Fishing (not including fish processing)	\$1,500,000	
Subclass 12001	Manufacturing of tobacco products	\$1,000,000	Foreign investor must use at least 75% locally grown and processed tobacco in all domestic cigarette production
Subclass 55101	Homestay and backpackers – motels, motor hotels, guesthouses, bed and breakfast units, visitor flats and bungalows, holiday homes, chalets, housekeeping cottages and cabins, youth hostels and mountain refuges	\$1,000,000	Development or purchase of individual units relative to timeshare, holiday homes, villas and apartments are exempt from the minimum investment threshold of \$1,000,000
Subclass 55101	Hotels or resorts Suite/apartment hotels Time-share units	\$2,000,000	Development or purchase of individual units relative to timeshare, holiday homes, villas and apartments are exempt from the minimum investment threshold of \$2,000,000
Subclass 68101 & 68201	Real estate activities, excluding real estate agents	\$2,000,000	

The minimum investment threshold in Fiji is FJ \$300,000.00 except for the restricted activities outlined in the schedule above. The investor must bring this investment amount into Fiji within 3 months from the date of incorporation.

For restricted activities, an amount of FJ\$300,000.00 has to be brought within 3 months from the date of incorporation and the remaining amount in 12 months from incorporation date.



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