



Investment **Fiji**

SECTOR PROFILE

ICT

ICT SECTOR

Fiji is well positioned to attract ICT investments, starting from the lower end and moving up the value chain. Fiji has managed to secure its position in attracting renowned ICT investors to locate their back offices to Fiji allowing Fiji to position itself as the hub of the Pacific.

With Fiji well established as the hub of the South Pacific, its telecommunication network are the focal point for regional business activity. Fiji provides a world-class international connectivity via the Southern Cross Cable fibre optic networks which gives it a competitive edge in the globalised on-line world. The high speed network can now deliver a 5.4Tbps (capacity of new submarine cable system) fastest, most direct and most secure international bandwidth from Australia, New Zealand and Hawaii via the Pacific to the heart of the Internet in the USA. Located strategically (GMT+12) between

Asia and the USA, Fiji provides a “time-zone” business advantage, not only to East Asia and the US, but also to Eastern US and Europe.

ICT Accredited Training Institutions

The income of any new operator setting up an internationally accredited ICT training institution who is granted a license from 1 January 2015 shall be exempt from tax for a period of 13 years. Any new operator may apply and pay a license fee of \$1,000 per annum to the Commissioner of Inland Revenue. The Tax exemption is granted from the date of the initial license. The income tax exemption is available to investors under the following criteria:-

- Business employs 50 employees or more for any 6 months within the income year; and
- 50 percent of its total services is exported.

Duty free and VAT exemption on the importation of all items required for the establishment of the business.

Small ICT Startups

For small ICT start-ups, a 150% deduction on all start-up costs will be made available with no employment conditions/requirements attached.





OPPORTUNITIES

- Fiji offers high-quality business resources and infrastructure for the ICT sector.
- The Southern Cross cable provides fast, direct and secure high capacity services between Australasia and the United States West Coast, with a landing point in Suva. It is expected that Fiji's second largest island, Vanua Levu, will also have fibre connectivity by March 2018 thereby creating further opportunities for investors and businesses.
- Good English-speaking labour force as Fiji's literacy rate is around 94%.
- Business friendly consumer policies and legislations.
- Opportunities in mobile applications and value adding service providers.
- Some well-known international back office processing companies are already operating in Fiji.
- Fiji offers an investment- friendly environment for the ICT sector with focused support from the government.
- Fiji businesses have experience in dealing with ICT products and are receptive to new and innovative products.
- Fiji is very strategically located in the Pacific and has number of headquarters for regional and international organizations.
- Young workforce with very competitive labour rates.
- Duty free importation of computer, computer parts and accessories, plant, equipment and fittings, and specialised furniture for initial establishment and during its ongoing operations to approved ICT/BPO business operators.
- Fiji won the European Outsourcing Association's Offshoring Destination of the Year Award in 2014.
- 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 3G and 4G technologies and this figure is increasing. The deregulated telecommunications sector ensures value for money and access to world class ICT services for Fijians and investors alike.
- Government is heavily investing in the creation of a Digital Television Platform that will be deployed throughout the country and this will have opportunities for potential content providers and content producers.



INCENTIVES

The income of any new operation setting up ICT businesses involved in Application designed an Software development who is granted a licenses from 1 January 2015 to be exempt from tax for a period of 13 years;

- Any new operation may apply and pay a license fee of FJD\$1,000 per annum to the Commissioner of Inland Revenue. The tax exemption is granted from the date of the initial license.
- Income tax exemption is available to investors under the following criteria:-
 - Business employs 50 employees or more for any 6 months within the income year; and
 - 60 percent of its total services is exported.
 - Duty free and VAT exemption on the importation of all items required for the establishment of the business.

The income of any new operator who is granted a license from 1 January 2009 to be exempt from tax for a period of 13 years. Any new operator may apply and pay a license fee of \$1,000 per annum to the Commissioner of Inland Revenue. The tax exemption is granted from the date of the initial license. The income tax exemption is available to investors under the following criteria;

- Business employs 50 employees or more for any 6 months within the income year;
- 50 percent of its total services is exported.

A 250% tax deduction is applicable on any expenditure incurred by an eligible ICT company investing in Research and Development



WHY INVEST IN FIJI?

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. Fiji offers a compelling investment proposition and has a stable political environment that encourages economic growth and development. Continued investment in infrastructure, education and training have implications not only for the attractiveness of Fiji as a location to investors, but also for the quality of inward investment. Investment Fiji is witnessing a growing interest from large multinationals.

Economic stability is essential for attracting significant inward investment; with Fiji having both low levels of inflation and positive GDP growth

since 2010. There has been a sharp rise in confidence of the domestic private sector and foreign investors with new bank lending for investment purposes rising consistently. Fiji is also the regions foremost trading hub with excellent shipping routes across the Pacific Islands. Fiji has \$7 billion worth of road infrastructure and 1,200 bridges, 47 jetties, 5 commercial ports, 25 local and 2 international airports.

Fiji has a business friendly tax structure that supports innovation and investment with 20% corporate tax and a lower rate of 10% for companies listed on the South Pacific Stock Exchange. The Fijian Government has announced a number of incentives and pro-growth policies to attract investments and encourage economic growth that is stable and sustainable. Government plans to increase per capita income by fourfold over the next 20 years.

The continuous enhancement of infrastructure, growth of our tourism industry, advantages of a young population, a first class English-speaking workforce, natural flair of services, conducive business environment and low entry costs are key ingredients of Fiji's continued success.

INVESTMENT FIJI

Investment Fiji was established as the Economic Development Board (EDB) in 1980 and is guided by the Foreign Investment Act. A statutory organization, Investment Fiji operates independently as the marketing arm of the Fiji Government, providing services and assistance to promote, and stimulate investments and exports. As such, Investment Fiji carries out three primary roles, Investment Promotion, Investment Facilitation and Export Promotion.

The Investment team provides in depth market intelligence, identifies potential investment projects and assists investors and delegations by arranging suitable meetings and introductions - in addition to promoting Trade and Investment opportunities overseas.

The purpose of the Investment Facilitation team is to provide post-establishment after-care facilitation services enabling and assisting both foreign and local Investors in establishing their business and providing information, support and assistance during the growth phases - and through to developmental support to retain investment, encourage follow-on investment and achieve greater economic impact.

The purpose of our Trade and Export team is to increase exports in general, but particularly of entities, whose products and services add value, allow for import substitution and contribute to employment.



POSITIVE
ECONOMIC GROWTH SINCE 2010



94%
LITERACY RATE



40 & UNDER
69% OF TOTAL POPULATION



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