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Country Report

Title: e-Procurement in Fiji

Country Profile

Fiji is known for its multicultural society, with Fijians of Indian descent followed by indigenous Fijians. There is also a significant population of other cultural groups: Europeans, Chinese, and others. Fiji has approximately **940,000 people**. The population is increasingly urbanized, with Suva, the capital, being the main urban center.

Fiji's economy is primarily service-based, with tourism, sugar, and gold being major contributors to GDP (Approximately USD\$9 billion). The government prioritizes sustainable development, focusing on areas like education, healthcare, and infrastructure. **Economic Growth:** The economy has shown resilience, with periods of growth and challenges such as natural disasters and global economic downturns.

Socioeconomic Background

Fiji faces challenges such as income inequality, unemployment, particularly among youth, and the impacts of climate change.

Lifestyle: The Fijian culture is known for its warm hospitality, and the country is a popular tourist destination due to its beautiful beaches and natural attractions.

Fiji's National Policies and Strategies on Public Procurement and E-Procurement

Fiji has been steadily implementing reforms to modernize its procurement system and align it with international best practices. This involves a strong focus on enhancing efficiency, transparency, and accountability in public spending.

Procurement Policy Framework:- Is the cornerstone of Fiji's procurement system, outlining the core principles of value for money, competition, efficiency, and ethics.

E-Procurement Initiatives:- Fiji has been actively exploring the potential of e-procurement to streamline processes, reduce costs, and enhance transparency. There is ongoing efforts to digitise procurement processes, such as online tendering, bidding, and Folio contract management.

Folio Contract Management and Tender link are SaaS-based platforms provided by external companies.(Software as a Service). The software is hosted and maintained by the respective software providers on their servers. The Fiji Government, specifically the Fiji Procurement Office (FPO), subscribes to these services to use the software for contract management and tendering.

While Fiji does not own the software, it owns the data entered into the system. This includes contract details, tender information, and other procurement-related data.

Current Status & Perspectives on e-Procurement

Fiji has made significant strides in adopting e-procurement, particularly within the government sector. The Fiji Procurement Office (FPO) has been instrumental in driving this digital transformation.

Key Developments and Current Status

Government-Wide e-Tendering Portal: Fiji has implemented a centralized e-tendering portal to streamline the procurement process for government agencies.

This platform allows for transparent bidding, reduces paperwork, and enhances efficiency.

Focus on Transparency and Accountability: The government's emphasis on good governance has led to increased transparency in procurement processes. The e-tendering platform plays a crucial role in achieving this goal.

Challenges and Opportunities:

While progress has been made, challenges such as internet connectivity in remote areas and digital literacy among suppliers remain. However, these challenges also present opportunities for further development and capacity building.

Government Organisational Structure & Relevant Stakeholders on e-Procurement

Fiji's government structure follows a parliamentary system with a Prime Minister as the Head of Government.

The key ministries involved in e-procurement in Fiji are:

- **Ministry of Finance:** This Ministry is the overarching body responsible for economic development and policy, including procurement regulations. And, also responsible for financial management and control, the Ministry of Finance oversees budget allocations for e-procurement initiatives.
- **Fiji Procurement Office (FPO):** As the central procurement agency, the FPO is responsible for developing and implementing e-procurement policies, systems, and procedures.
- **Ministry of Information and Communications Technology (ICT):** This Ministry plays a crucial role in providing the technological infrastructure and support necessary for e-procurement.
- **Other Ministries and Departments:** Individual government ministries and departments are end-users of the e-procurement system and implement procurement processes.

Size of e-Procurement (National Budget / Percent)

The e-procurement are not typically highlighted separately in the National Budget documents. E-procurement usually falls under broader categories like "IT infrastructure" or "administrative expenses," rather than being detailed individually.

- In budget context, the Information Technology (IT) and Infrastructure Spending - E-procurement is part of broader IT and infrastructure investments. These expenditures are generally included in the National Budget under categories such as IT development, infrastructure projects, or administrative improvements.
- Focus on Efficiency: The government allocates funds to enhance IT systems, including e-procurement, as part of its efforts to modernize and improve public sector efficiency and transparency.

In 2024-2025 fiscal year, the Fijian Government has allocated approximately FJD\$1.1 billion (22% of total budget) for capital projects. This allocation supports various infrastructure and development initiatives, which include improvements in transportation, public utilities, Health sectors and other critical areas to stimulate economic growth and enhance public services.

Past & Current Level of Stage on e- procurement in Fiji

Fiji's e-procurement system has undergone several stages of development over the years. The developments are as follows:

Past Level:

1. Early Development (2000s):

1. **Manual Processes:** Initially, procurement processes were predominantly manual, involving paper-based methods for tendering and contract management.
2. **Initial Digitalization:** Some early attempts were made to introduce basic digital tools for procurement, but these were limited in scope and functionality.

2. Introduction of Basic E-Procurement Systems (2010s):

1. **Early E-Procurement Platforms:** Fiji began to implement more structured e-procurement systems, aiming to streamline the submission and processing of tenders.
2. **Challenges:** Early systems faced several challenges, including limited user adoption, issues with system integration, and a need for better training and support.

Past & Current Level of Stage on e- procurement in Fiji

Current Level:

1. Advanced E-Procurement System (Late 2010s - 2020s):

Fiji has implemented an e-tendering system to streamline its public procurement process. The system, managed by the Fiji Procurement Office (FPO) under the Ministry of Finance, provides a platform for publishing invitations to tender, receiving bids, and managing the tender process electronically.

Key Features of Fiji's E-Tendering System

- **Online Tender Publication:** Government agencies can publish tender notices, documents, and amendments digitally on the platform.
- **Bid Submission:** Suppliers can submit bids electronically, reducing paperwork and improving efficiency.
- **Bid Evaluation:** The system allows for efficient evaluation of bids based on predefined criteria.
- **Transparency and Accountability:** The electronic system enhances transparency by providing access to tender information to interested parties.
- **Supplier Registration:** Suppliers can register on the platform to receive notifications about new tender opportunities.

Legal & Regulatory Component Relevant to e-Procurement

In Fiji, the legal and regulatory framework governing e-procurement is designed to ensure transparency, efficiency, and accountability in public procurement processes. The key components relevant to e-procurement:

Legal Framework:

1. Financial Management Act 2004:

1. **Purpose:** This act provides the legal foundation for procurement processes in Fiji. It outlines the principles, procedures, and requirements for public procurement, including the use of e-procurement systems.
2. **Provisions:** The Act emphasizes transparency, fairness, and competitiveness in procurement processes and incorporates provisions that support the use of electronic systems for procurement.

2. Procurement Regulations 2010:

1. **Details:** These regulations complement the Public Procurement Act and provide more specific guidelines on procurement procedures, including the implementation of e-procurement systems.
2. **Requirements:** They cover the requirements for electronic tendering, bid submission, and other aspects of the procurement process.

3. Fiji Procurement Policy:

1. **Guidance:** The policy provides strategic direction on procurement practices, including the use of e-procurement. It aligns with international best practices and standards.
2. **Objectives:** It aims to ensure that procurement processes are efficient, transparent, and contribute to value for money.

Legal & Regulatory Component Relevant to e-Procurement

Regulatory Framework:

Fiji Procurement Office (FPO) – the FPO is responsible for overseeing procurement processes and ensuring compliance with procurement laws and policies. It provides guidance, training, and support related to e-procurement and ensures that procurement practices align with legal and regulatory requirements.

Fiji's E-Tendering System

Fiji has implemented an e-tendering system to streamline its public procurement process. The system, managed by the Fiji Procurement Office (FPO) under the Ministry of Finance, provides a platform for publishing invitations to tender, receiving bids, and managing the tender process electronically.

This system operates under specific guidelines that ensure adherence to legal requirements for electronic tendering and procurement.

Data Protection and Privacy Laws:

Compliance: E-procurement systems must comply with data protection and privacy laws to safeguard sensitive information and ensure the security of procurement data.

Regulations: The Legal framework includes provisions for the protection of personal and financial data collected during the procurement process.

Conclusion

Fiji has made significant strides in adopting e-procurement, particularly within the government sector. The implementation of a centralized e-tendering portal has enhanced transparency, efficiency, and competition in the procurement process.

However, challenges such as internet connectivity in remote areas, digital literacy among suppliers, and the indirect nature of e-procurement costs have hindered the precise quantification of its budgetary allocation.

Despite these challenges, the focus should shift towards assessing the **impact and benefits** of e-procurement. This includes analyzing cost savings, efficiency gains, increased transparency, and enhanced supplier participation.

The potential of e-procurement in Fiji, the efforts are necessary to:

- Expand e-procurement adoption beyond the government sector.
- Improve digital literacy among suppliers.
- Strengthen cybersecurity measures.
- Invest in research and data analysis to measure e-procurement's impact accurately.

Thank You
