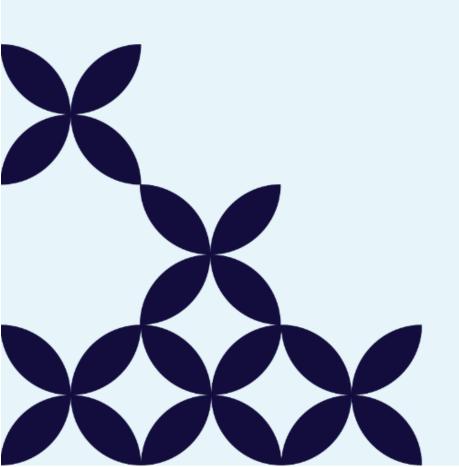
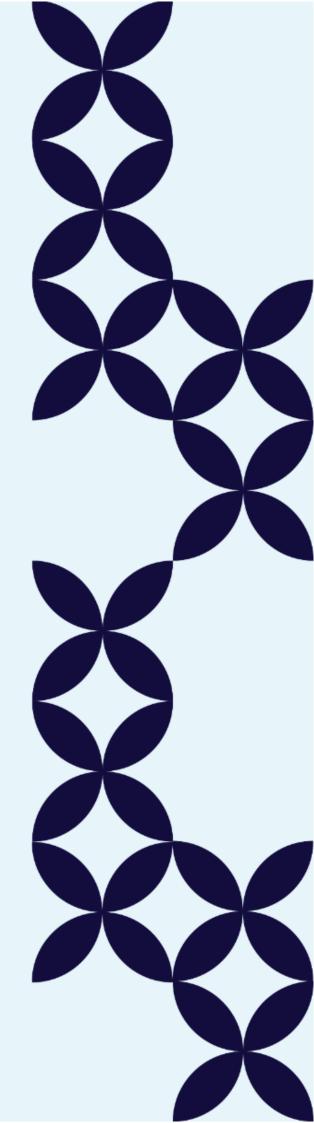


Fiji Country Plan

May 2025





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Purpose of this document

The New Zealand Ministry of Foreign Affairs and Trade (MFAT) has developed this Plan to guide the planning and management of New Zealand's overall engagement with Fiji, and as a foundation for dialogue with partners and stakeholders.

The Plan is used to bring clarity to what work should be prioritised, and to help monitor progress towards shared outcomes and strategic goals.

This is a living document that will be reviewed with partners and updated periodically to ensure it responds to changes in country context, including the impacts of any external shocks.

An integrated approach to Pacific engagement

New Zealand pursues an integrated approach to engagement with Fiji. We focus on coherence across our diplomatic, trade and economic, climate change, environment, security and development objectives to deliver sustainable progress in partner countries, and advance New Zealand's interests and values. As such, our development contribution (both policy and financial) is an integral pillar of our foreign policy – it reflects our network of international relationships and commitments, and is an expression of our values.



Fiji overview

Fiji context

The Republic of Fiji is a Melanesian country with a diverse ethnic population of around 900,000, spread across 330 islands. Approximately 70% of Fijians live on the largest island of Viti Levu.

Fiji is one of the largest and most advanced economies in the Pacific. The economy is dominated by services, accounting for almost 70% of Fiji's Gross Domestic Product (GDP). Fiji's informal economy is estimated to be around 30% of GDP. The tourism industry is Fiji's most significant, though there is widespread recognition within Fiji that broadening the economic base is required for economic resilience and to service high levels of public debt. The Government of Fiji has begun fiscal consolidation efforts towards reducing government deficits and debt. Fiji has an established manufacturing sector, abundant natural resources – including an exclusive economic zone (EEZ) spanning approximately 1.28 million square kilometres – and a growing outsourcing industry due to advances in digital infrastructure.

Suva is a regional and global hub, hosting diplomatic missions from almost all Pacific Islands Forum (PIF) members and a range of other countries (some also accredited to other Pacific countries and territories), many of the Pacific's regional organisations, and a significant and growing presence from United Nations (UN) agencies and other multilateral institutions. Fiji has established formal diplomatic relationships with 182 countries and has 13 diplomatic missions globally.

Fiji has a high level of human development compared to many of its Pacific neighbours. Access to electricity and education is almost universal. Fiji has one of the highest rates of social protection coverage and gross national income (GNI) per capita in the region. Yet Fiji still faces significant social and development challenges. Already high rates of poverty (24.1% of Fijians), housing insecurity, gender and economic inequalities, drug and alcohol use, and incidences of family violence significantly worsened due to the pandemic. Achieving SDG poverty reduction targets by 2030 will be a significant challenge for Fiji.

Historically, Fiji had one of the lowest Official Development Assistance (ODA) to GNI ratios in the Pacific, though this has spiked significantly in the wake of COVID-19 and increased donor interest. Fiji's largest development relationships are with Australia, New Zealand, China, Japan, the European Union and the International Financial Institutions (International Monetary Fund and World Bank).

Fiji is highly vulnerable to climate change and regularly affected by climate related disaster events. In 2016, Cyclone Winston caused US\$1.3 billion in damages. While Fiji's government has invested in preparing for natural disasters and progressively climate-proofing infrastructure, current fiscal constraints limit the government's capacity to fully respond to future major disasters. Climate change effects, such as sea-level rise and increased frequency of droughts, substantially impacts on Fiji. Over 35% of households receive income from agriculture, around 90% of the population reside in in coastal regions and hydropower accounts for over half of Fiji's energy production.

New Zealand's partnership with Fiji

New Zealand's diplomatic relations with the Republic of Fiji began in 1970 following Fijian independence. It is now one of New Zealand's closest Pacific partners. Our countries share strong people-to-people connections, which underpin close cultural, historic and sporting ties. An estimated 69,000 Fijians live in New Zealand and New Zealanders make approximately 220,000 visits to Fiji per year — a number that continues to increase.

Our commitment to working together on issues of shared interests and importance is outlined in the *Duavata Partnership* - the guiding framework for bilateral cooperation between Fiji and New Zealand over the 2022-2025 period – and reflects our joint ambition to elevate and strengthen our relationship. The Duavata Partnership



reaffirms our shared commitment to democracy, effective governance, the rule of law, human rights, climate change mitigation and adaptation, economic cooperation, and strong regional and international cooperation. This Country Plan will inform our discussions with the Government of Fiji in jointly developing the new Duavata Partnership 2026-2030 framework.

Fiji is our largest trading partner in the Pacific with two-way trade totalling NZ\$1.36 billion for the year ended December 2023. Fiji and New Zealand share an ambition to lift this to NZ\$2 billion in two-way trade by 2030. Fijian workers make a valued contribution to New Zealand's horticulture and viticulture industries as part of the Recognised Seasonal Employer (RSE) scheme. New Zealand is committed to ensuring that labour mobility opportunities, including through the RSE scheme, lead to positive outcomes for Fiji. Annual remittances from New Zealand stand at NZ\$900 million in 2023.

Our development cooperation continues to evolve from smaller direct intervention projects to more strategic policy reform programmes, including through high-trust, high-order budget support modalities. We continue to leverage our long-term relationships in Fiji to improve the standard of social housing and climate-resilient infrastructure, reduce gender-based violence, build parliamentary capability, implement fiscal and business reforms, and support improved disaster preparedness.

Strong security sector relationships exist between our respective defence/military forces and police forces. These include exercises to increase our ability to jointly address regional issues. Fiji's border has a direct impact on New Zealand's national security, given its vulnerability to flows of illicit goods, with joint government agency cooperation in policing, immigration and customs.

Fiji takes a leading regional and global role in climate change diplomacy and negotiations, including as a signatory to many international agreements and conventions related to environment and climate change – many alongside New Zealand. New Zealand, like Fiji, is committed to successfully implementing the 2050 Strategy for the Blue Pacific Continent.

New Zealand's largest diplomatic mission in the Pacific is based in Suva. Several New Zealand agencies have seconded staff in Fiji, including Immigration New Zealand, New Zealand Defence Force, New Zealand Police, New Zealand Trade and Enterprise, and Education New Zealand, and have well-established relationships with their Fijian counterparts. Fiji maintains a High Commission in Wellington.

New Zealand takes a partnership approach to supporting humanitarian response and disaster management in the Pacific. We focus on responding quickly to requests by Pacific governments, and delivering practical and financial assistance for those most in need when a disaster strikes. This includes a 'whole of Government' commitment to work with other New Zealand Government agencies to deploy specialist emergency capabilities in a disaster response. We also work closely with other development partners, the United Nations, international and local non-government organisations and the private sector. Our bilateral development programmes invest in our Pacific partner's longer-term recovery from disasters. We prioritise investing in measures that reduce and manage the risks of disasters, and increase resilience; and in helping countries be better prepared for disasters through regional, bilateral and NGO partner initiatives.

Partner plans relevant to the relationship

New Zealand's focus on governance, economic prosperity, security, social well-being and climate resilience aligns with Fiji's National Development Plan (NDP) 2025-2029¹ goal to improve social well-being and bring greater prosperity to Fiji and its people. The NDP is closely aligned to the Sustainable Development Goals and considers Fiji's international obligations under the United Nations and other international and regional bodies and conventions. Cross-cutting issues such as gender equality, climate change, good governance and commitment to political stability are mainstreamed in the NDP.

The seven focus areas outlined under the NDP are:

- building macroeconomic confidence and stability to support sustained economic growth;
- fostering international and regional relationships that strengthen Fiji's sovereignty, security and prosperity;
- sustainably managing natural resources such as land development, fisheries, forestry, minerals and ground water;
- catalysing economic growth and diversifying the economy;
- uplifting socioeconomic well-being through education, healthcare, housing, gender inequality
- developing public infrastructure, protecting the environment and addressing climate change; and
- committing to governance, institutional and State-Owned Entity reforms.

The Plan has also been developed based on other relevant thematic Fiji-specific strategies – including their National Adaptation Plan 2018, the National Disaster Risk Reduction Policy 2018-2030 and Nationally Determined Contribution (NDC) Implementation Roadmap 2017-2030 – and regional strategies such as the 2050 Strategy for the Blue Pacific Continent.

Strategic framework for the Fiji Plan

The IDC Priorities Framework 2024-27² is a guiding document for the Fiji Country Plan. It shows how the IDC Programme contributes to the Ministry's overall goals, as set out in the Ministry's Strategic Framework³, and articulates the priority outcomes that we aim to advance through the IDC Programme.

The Fiji programme logic diagram that is included on the next page, sets out our ambitions for our work with Fiji in alignment with the IDC Priorities Framework. It represents integrated delivery across development, foreign policy, trade, and security and covers a total country view of our IDC investment, covering our core IDC programme, regional and multi-country investments, NGO partnerships and scholarships.

The logic diagram sets out how our strategic goals drive more specific medium- and short-term outcomes. New Zealand will work towards these outcomes in partnership with Fiji. The medium-term outcomes in the logic diagram describe our interests in the system in more detail. The short-term outcomes cover some areas of particular emphasis rather than all the initiatives required to deliver these medium-term outcomes.

³ See: https://www.mfat.govt.nz/assets/About-us-Corporate/MFAT-strategies-and-frameworks/Strategic-Intentions-2024-2028.pdf



¹ See: <u>www.finance.gov.fj/national-development-plan-2</u>

² See: https://www.mfat.govt.nz/assets/Aid/Aid-General/IDC-Priorities-Framework-2024.pdf

Logic diagram for Fiji Plan



A SAFE, SECURE AND JUST FUTURE A PROSPEROUS AND RESILIENT FUTURE

A SUSTAINABLE FUTURE

STRATEGIC GOAL 1:

Good governance, democracy, the rule of law, human rights and regional security are protected and advanced.

STRATEGIC GOAL 2:

Fiji people are prosperous, resilient, healthy, well-educated and have equitable opportunity.

MEDIUM TERM OUTCOMES

STRATEGIC GOALS

STRATEGIC GOAL 3:

Fiji has increased resilience to natural hazards and the intensifying impacts of climate change.

Increasing influence of external /contextual factors

MO1:

Fiji is a regional leader and has strengthened democratic norms, sound economic governance and effective, inclusive and accountable institutions.

MO2:

Fiji has an enhanced ability to address domestic crime and wide-ranging transboundary security threats, resulting in safer communities with improved access to justice.

MO3:

Fiji's economy is more diversified, competitive, inclusive, resilient, macro-economically stable and regionally integrated.

MO4:

Fiji has stronger social sector capabilities and equitable access to essential services for all, consistent with human rights.

MO5:

Women, youth and groups at risk of marginalisation are strong, safe, empowered and participate fully in society, including decision-making.

MO6:

Fiji accelerates action on their adaptation and mitigation priorities enabling communities to better prepare and adapt to climate change.

SHORT TERM OUTCOMES: key changes expected to result from MFAT activities and engagement in 4–6 years

STO1:

Strengthened capacity and capability in policy development and delivery capability in Fiji's public sector and democratic institutions.

STO2:

Effective implementation of Fiji's economic and fiscal reforms supports increased capability and transparency in economic governance, building democratic norms.

STO3:

Fiji security institutions are capable, meet their international obligations and interoperable with NZ counterparts.

STO4:

Improved enabling environment for the private sector and strengthened key economic sectors.

STO5:

Local civil society partners are empowered and strengthened, enabling them to engage in governance and improve service delivery for community wellbeing.

STO6:

Women and groups at risk of marginalisation are economically and politically empowered and resilient in the face of violence and social exclusion.

STO7:

All Fijian citizens, have increased and equitable access to inclusive education and training opportunities and quality health care.

STO8:

Improved capability and increased climate finance flows enable Fiji Government, civil society, private sector and communities to better adapt to and mitigate climate impacts.

STO9:

Fiji better incorporates climate risk into planning for disasters and climate adaptation, and is better able to prepare for, and respond to, natural disasters.

MFAT has more influence

How we put this Plan into action

International development cooperation funding for this Plan is managed over a three-year period. There is flexibility to move funds into and between Plans in order to respond to rapidly changing contexts. Current information about New Zealand's overall International Development Cooperation budget for the current funding triennium is on the MFAT website⁴.

How we will work to deliver on this Plan

New Zealand's International Cooperation for Effective Sustainable Development (ICESD) Policy⁵ identifies four development principles that guide New Zealand's work with partner countries and sets out a commitment to deliver development that is effective, inclusive, resilient and sustained.

Across each of our goals, our partnership will be mature, grounded in regular and meaningful dialogue and engagements. Regular high-level official-led consultations will take place, along with maximising opportunities for substantial engagement between our respective ministers and leaders.

We will combine our development assistance with bilateral policy engagement as well as regional policy engagement through multilateral fora. We will ensure our resources are directed to where we add most value in achievement of Fiji's priorities. Our confidence in Fiji's public final management means that high-trust high-order modalities, such as budget support, will increasingly be prioritised. Multi-country programmes are valuable in building communities of practice in the Pacific.

Delivery on this Plan recognises that the IDC programme allocation for Fiji is firmly committed and aside from a major unexpected event or natural disaster, it will be challenging to reorientate in the short-term.

The Head of Mission Fund (HEF) provides a strong and proven mechanism for reaching into vulnerable communities at a scale where it would be inefficient for the broader IDC programme and delivers on the diplomacy objectives for our work in Fiji. The Fiji Plan includes non-bilateral programmes such as our multilateral, regional, humanitarian, partnerships and scholarship programmes. Alongside the bilateral programme, these have a key role in realising the strategic goals and outcomes.

⁵ See: https://www.mfat.govt.nz/assets/Aid-Prog-docs/Policy/Policy-Statement-New-Zealands-International-Cooperation-for-Effective-Sustainable-Development-ICESD.pdf



⁴ www.mfat.govt.nz/en/aid-and-development/our-approach-to-aid/where-our-funding-goes/our-planned-aid-expenditure/

Who we will work with to deliver on this Plan

The Government of Fiji remains New Zealand's primary strategic relationship and delivery channel. This partner-led approach ensures that this Plan is well aligned to Fiji's development priorities.

We will take a strategic approach to working with other development partners in Fiji, to harmonise and leverage investment wherever possible. New Zealand currently works closely with Australia to deliver our IDC programme and has joint funding in place across our governance and democracy, economic resilience and social well-being pillars.

Expertise from New Zealand government agencies or organisations (NZ Inc) is regularly sought and well-regarded by Fijian counterparts. New Zealand agencies currently involved include New Zealand Customs Service, New Zealand Defence Force, New Zealand Police, Ministry of Business, Innovation and Employment, Immigration New Zealand, Office of the Auditor-General, Public Service Commission, Institute of Judicial Studies, Ministry for Primary Industries, New Zealand Electoral Commission, Ministry for Women, Ministry of Health and Crown Research Institutes.

Multilateral agencies - particularly UN agencies, ADB, World Bank and the Commonwealth of Learning - are delivery channels for our Plan where they are working in partnership with the Fiji government. Alongside New Zealand's core funding support to multilaterals, they are key partners in our move to expand reform-linked budget support programmes, particularly important in backing government priorities to improve fiscal management and the business enabling environment in Fiji.

While engagement with Pacific regional organisations based in Fiji is generally regional or thematic led, there are commonly indirect bilateral outcomes. Currently multi-country IDC programmes include partnering with SPC (in agriculture and health), CePaCT (agriculture), SPREP (environment and climate), SPTO (tourism) and University of the South Pacific (tertiary education) These partnerships and broader multi-country programmes will often enable engagement with, and support to, the private sector.

MFAT partners with New Zealand non-government organisations (NGOs) through the *Partnering for Impact* programme, which supports inclusive economic, social and environmental resilience, good governance and strengthening of civil society. Through this approach, we partner with NZ NGOs and local civil society to use their experience, knowledge and reach, to support delivery of locally led solutions for people experiencing vulnerabilities. New Zealand has long-standing relationships with a small group of local CSOs in Fiji – this grassroots support can complement our policy-based work with Fijian government agencies.

How we assess progress against this Plan

The logic diagram sets out the strategic goals, medium- and short-term outcomes we hope will result from New Zealand's activities and engagement with Fiji.

We report back on progress towards our goals in Fiji via MFAT's Annual Report⁶. We also report back on this Plan to the Government of Fiji via our annual High-Level Consultations and engagement with senior officials. This not only gives us an opportunity to discuss what has been achieved in partnership, but also to test whether our Plan remains fit-for-purpose or if we need to change anything.

Progress against the Plan will be assessed with the following indicators.

Strategic Goals	Indicators
Goal 1: Good governance, democracy, the rule of law, human rights and regional security are protected and advanced.	 World Bank Worldwide Governance Indicators (WGI) Reduction in Government Debt as percentage of GDP.
Goal 2: Fiji people are prosperous, resilient, healthy, well-educated and have equitable opportunity.	 Annual growth rate of real GDP per capita. Value of Fiji exports. Percentage of population below national poverty lines. Coverage of essential health services. Proportion of children and young people achieving a minimum proficiency level in reading and mathematics (by age, sex, education level and subject). Economic inequality as measured by the World Bank Gini Index.
Goal 3: Fiji has increased resilience to natural hazards and the intensifying impacts of climate change.	 Direct economic loss attributed to disasters relative to GDP. Readiness score for climate adaptation as measured by ND-GAIN index.

Short Term Outcome (STO)	Indicators
STO1: Strengthened capacity and capability in policy development and delivery capability in Fiji's public sector and democratic institutions.	 Number of people receiving training / capability-building support in governance. Evidence of effective policies and legislation drafted by staff who received support from technical assistance.
STO2: Effective implementation of Fiji's economic and fiscal reforms supports increased capability and transparency in economic governance, building democratic norms.	 Fiji assessed as on track on their economic and public sector reform programme. Evidence of an increased number of effective reforms in public financial management, economic governance and private sector development.
STO3: Fiji security institutions are capable, meet their international obligations and interoperable with NZ counterparts.	 Number of people receiving training or capability-building support in peace and security. Evidence of collaboration between Fiji and New Zealand security agencies.

⁶ https://www.mfat.govt.nz/en/about-us/mfat-annual-reports/

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STO4: Improved enabling environment for the private sector and strengthened key economic sectors.	 Number of people supported to improve their livelihoods. Value of finance or investment facilitated for SMEs. Evidence of improvements in the business enabling environment.
STO5: Local civil society partners are empowered and strengthened, enabling them to engage in governance and improve service delivery for community well-being.	 Evidence of local civil society partners engaged with government policy and service delivery.
STO6: Women and groups at risk of marginalisation are economically and politically empowered and resilient in the face of violence and social exclusion.	 Number of women, including those with a disability, who access Gender Based Violence (GBV) prevention and response services. Number of people trained in gender responsive budgeting.
STO7: All Fijian citizens have increased and equitable access to inclusive education and training opportunities and quality health care.	 Number of people receiving training or capability-building support in health or health related services. Number of people that complete tertiary or vocational scholarships. Number of people supported in social housing.
STO8: Improved capability and increased climate finance flows enable Fiji Government, civil society, private sector and communities to better adapt to and mitigate climate impacts.	 Number of people directly benefitting from activities which aim to increase resilience to climate change and environmental degradation. Evidence of improved government and community capability in climate adaptation and mitigation.
STO9: Fiji better incorporates climate risk into planning for disasters and climate adaptation, and is better able to prepare for, and respond to, natural disasters.	 Number of people directly benefitting from improved climate resilient infrastructure and services. Evidence of improved climate and disaster preparedness by Fiji government.

The Plan will be evaluated approximately once every four years. The next strategic evaluation of the Fiji Country Plan is expected to take place in 2028. The Ministry's forward strategic evaluation schedule is available on the website⁷.

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 $^{^{7}\,\}text{See:}\,\underline{\text{https://www.mfat.govt.nz/en/aid-and-development/our-approach-to-aid/evaluation-and-research}}$

For further information

Contact details for the New Zealand High Commission to Fiji are available on the MFAT website 8.

To find out more about New Zealand's engagement with Pacific Island countries also go to the MFAT website, at www.mfat.govt.nz/en/countries-and-regions/australia-and-pacific/.

This document is one in a series of Plans published by the New Zealand Ministry of Foreign Affairs and Trade (MFAT) and managed by the Ministry's Pacific and Development Group. For the latest version please go to www.mfat.govt.nz

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⁸ https://www.mfat.govt.nz/en/countries-and-regions/

⁹ https://creativecommons.org/licenses/by/4.0/

¹⁰ https://www.legislation.govt.nz/act/public/1981/0047/latest/DLM51358.html