

Tax reforms make Fiji good investment destination

Venkat Raman

Rationalised tax policy, simplified procedures, efficient administration and corruption-free public services are among the attributes of the Fijian Government, according to the senior-most minister in Suva.

Attorney General and Industry Minister Aiyaz Syed-Khaiyum said that even as the process for returning the country to a stable and transparent democracy was proceeding as per schedule, the Government had heralded a new era of friendly policies to attract local and foreign investors. "There are exciting developments happening in Fiji and with a series of economic and tax reforms, our country is fast becoming a preferred destination for international investors, businesses, traders and others. Tourism has always been a great source of attraction, which will also move forward," he said.

Lesser burden

Fondly referred as 'the Minister for Everything,' in view of the multitude of ministries and departments that his portfolios carry, he was speaking to a 12-member delegation at a meeting held in Suva on July 31, 2013.



Aiyaz Syed-Khaiyum addressing the business delegation on July 31 in Suva

"We have addressed the challenge of tax evasion by lowering the tax rate across all categories. While the threshold for income tax has been raised to F\$16,000, we have brought down the corporate tax rate to 17%, in line with that of other favoured countries such as Singapore. As Fiji prepares for the next phase of development, the message for our New Zealand investors is, 'You need to ride the wave now.' There have been very strong interests expressed by investors in Australia, Canada, Indonesia and US," he said.

Land ownership

Mr Khaiyum said that his Government had done away with discriminatory practices of the past based on race and ethnicity and that Fiji was open to those keen on firm engagement with clear strategies and sound management plans.

"Land is available on lease and those eligible can own agricultural land, the lease period for which has been increased from 30 years to 99 years. We have amended our Companies Act in tune with that of Australia and New Zealand with accountability, integrity and transparency as the core principles of governance. A number of restrictions that had earlier discouraged investors from investing in Fiji have been removed. We welcome companies and individuals," he said.

Multiple citizenship

According to Mr Kaiyum, the Government's decision to grant multiple citizenship to its citizens was another step forward to making Fiji a more attractive investment and commercial destination.

Former citizens can apply to 'retake' their citizenship and Fijian passports at a cost of about F\$ 3500 per applicant.

He ruled out the possibility of granting

concessions to large families.

"Many of our former citizens have reaped the benefits of the Multiple Citizenship Scheme. They are happy to return to their homeland which promises equality for all, based on the concept of 'One Person, One Vote, One Value.' Fiji is the hub of the South Pacific market. It is a privilege to be a Fijian citizen," he said.

Mr Khaiyum, who is also Communications Minister, said that Fiji is also undergoing substantial changes in information technology with modern systems and practices.

Better communications

He said that equality also meant that every person has the same opportunity and access to information and the Government for the services that it provides. People can be equal only if they are connected to their fellow citizens, he said.

On another occasion, Mr Khaiyum said that developing nations want IT development to help people rise above the limitations that nature imposes, unleash everyone's potential and give each person greater say over his or her future.

"The hope and promise of new technology and increased penetration is constant throughout the developing world. The importance and significance of connection a person from a small Island State is the same as it is for a person living in Africa, Europe, Asia or the Americas," he said.

Inviting the visiting business delegation to explore the potential that Fiji offers, Mr Khaiyum said that Fijians



Aiyaz Syed-Khaiyum with Suda Karan, a member of the delegation

have good relationship with ordinary New Zealanders, who are regarded as 'valued friends.'

Confident mood

"The Bainimarama Government is creating the first genuine parliamentary democracy in Fiji's history next year of one person, one vote, one value and the removal of the legal enforcement of ethnic voting. All of the former major political parties are registered to contest the elections in September 2014. The Government has consistently said that the 2014 elections will be free, fair and transparent, unlike previous ones," he said.

The mood in Fiji is one of confidence and expectation. Fijians believe that the current Government will perform on its promise and deliver the country from discriminatory politics and governance.

As Mr Bainimarama said, it was all about having a transparent, fair and reliable Government, one that cares for the people and is answerable to all Fijians.

"We are breaking apart the old top-down way of doing things," he said.

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