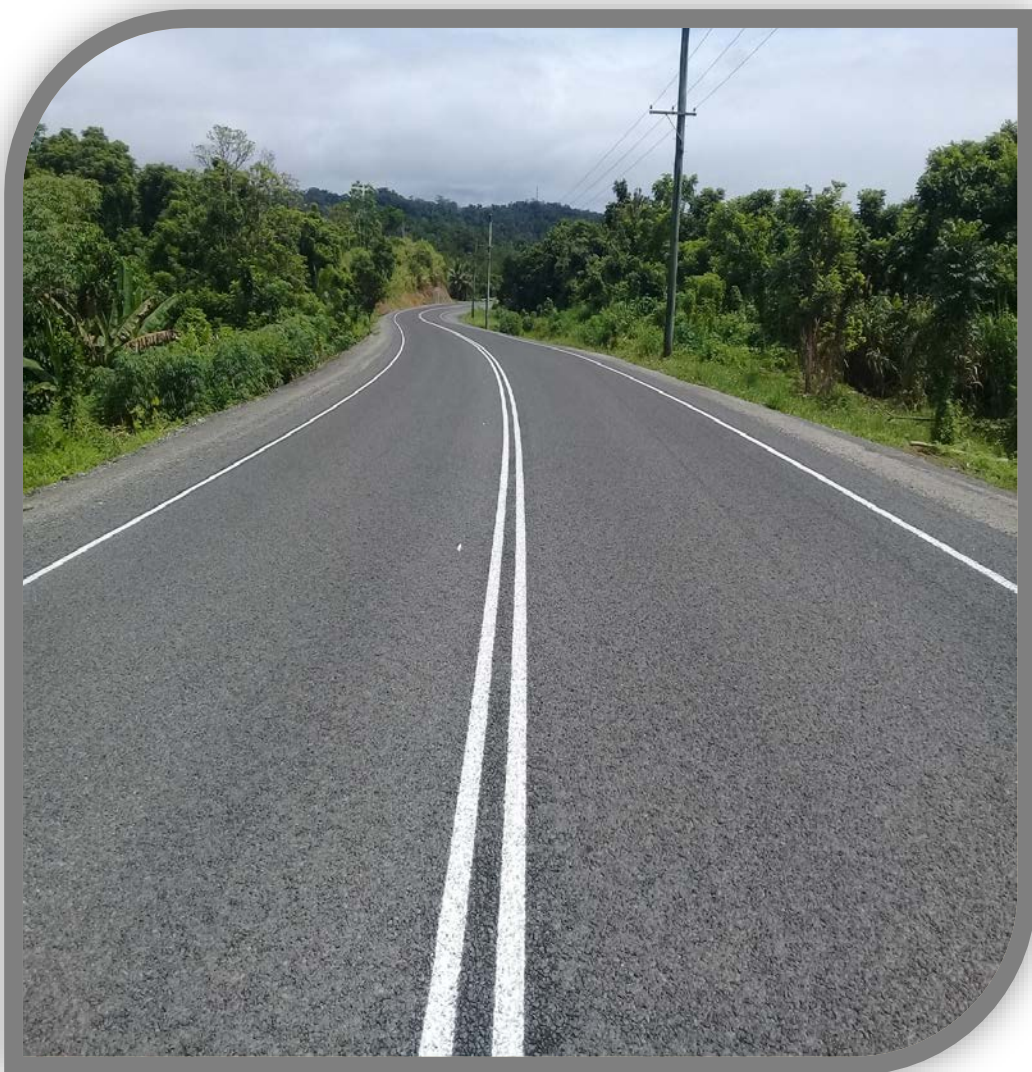


CORPORATE PLAN & STATEMENT OF CORPORATE INTENT



2021 / 2022



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Table of Contents

1	Chairman's Introduction	
2	Chief Executive Officer's Review	
3	FRA's Board of Directors	
4	Our Mission, Goals and Performance Target	
6	About FRA	
28	Significant Assumptions and Risks	
42	The Proposed Operating Budget and Work Programme	
46	Levels of Service - Performance Measures and Targets	
48	Financial Statement	
51	Accounting Policies and Other Financial Information	
57	Glossary	
66	Key FRA Partners`	
69	Appendix A	
86	Appendix B	

Chairman's Introduction

The Fiji Roads Authority (FRA) manages the country's road assets, bridges, wharves, and jetties. Therefore, it is the responsibility of FRA to take care, control and management of more than 6,000 km of roads in Fiji.

For any economy, transportation infrastructure and services underpin their economic growth and social development by connecting the various economic sectors and agents. Given Fiji's reliance on the agriculture sector, tourism and trade, the transport sector accounts is critical and currently accounts for 6.2 percent of Fiji's Gross Domestic product.

As Chairman of FRA for the past 2 years, I am pleased with the service delivery of the organization. Despite the challenges of reduced budget allocation and the Covid19 pandemic, I wish to commend management and staff for their outputs. In my view, the Authority has worked smartly, efficiently and has been cost effective in its delivery of outputs.

I wish to highlight that complaint against FRA managed road over the past year had declined considerably while at the same time I have received a lot of positive feedback on efficient and high quality of works.

The 2021/2022 financial year will be another challenging year as we continue to strive to deliver our

services with remain on track and deliver the objectives of the Fijian Government as announced in the 2021 / 2022 National Budget.

The Authority is working on few critical projects such as Kings Road and Queens Road rehabilitation Project, Foster Road Rehabilitation Project, continuity of Bridge Renewals and Community Access Roads and completion of Queen Elizabeth Drive. However, these projects are a small percentage of the total road network under the management of FRA and hence it's important all maintenance work are done in a timely manner.

A critical focus of FRA mobbing forward is working in collaboration with private sector businesses and in a proactive manner to support their development without compromising the safety and quality of our road infrastructure.

I wish the management and the staff all the best for the new financial year.



Ariff Ali

Board Chairman

Chief Executive Officer's Report

Fiji Roads Authority has re-strategized its priorities with the national budget being announced against the COVID-19 backdrop. The Authority in Financial Year 2021 / 2022 will focus on three specific outputs, videlicet the progressing of ongoing capital projects, preserving existing infrastructure and organizing future initiatives. This approach will allow the Authority to achieve its main effort, which is to improve the level of service of our land transport road network.

It is known to all that the COVID-19 pandemic has brought unprecedented challenges unlike anything the industry has ever experienced before around the world and Fiji has not been exempt from this either. In the face of consequential constraints following the MoHMS lifesaving restrictions, the Authority has been resilient and has proven its ability to adapt to the ever-changing economic conditions underpinned by its versatile employees.

We continued to make strategic progress despite the disruption caused by the pandemic. The Board takes a long-term view, and the Authority's ability to adapt, gives full control over the scope and phasing of investment projects and our development pipeline. This enabled us to evaluate and prioritize projects in the current environment and we successfully managed to deliver amid those challenges.

The 2021 / 2022, Budget Allocation again shows the commitment from the current government towards infrastructure development so we can continue to make the Infrastructure resilient and safe for the people of Fiji.

2021 / 2022 Financial Year is forecasted to be a challenging and

busy year for the Authority as we commence with physical works for Kings Road upgrade between Wailotua and Ba, Queens Road upgrade on the coral coast and Foster Road upgrade.

In addition to these major upgrades, 300 lane kilometer of sealed roads in the towns and cities around the country will also be resurfaced, while we will also see a continuation of major rollover projects such as Renewal of 10 Critical Bridges and Rural Access Roads.

Lastly, I aim to create an inclusive, open and fun working environment where our team members feel supported motivated and empowered. The safety and well-being of our people continue to be a key priority in the current environment, then ever before.

We adapted the way we communicate with our team members to ensure we maintained strong engagement. These collaborative cultures comes with an uncompromising adherence to ethical excellence to maintain our reputation for honesty and integrity, which is critical to the success of the Authority.



Kamal Prasad

Acting Chief Executive Officer

Fiji Roads Authority Board Directors



Mr. Ariff Ali
Chairman



Mr. Kamal Gounder
Board Member



Ms. Preetika Prasad
Board Member



Mr. Aptinko Vaurasi
Board Member

Our Mission, Goals and Performance Target

MISSION

A better land transport network for Fiji

VISION

An affordable, integrated, safe, responsive and sustainable network of roads, bridges and jetties

GOALS

- (a) To effectively, efficiently and sustainably provide an environmentally friendly land transport network to which people are able to gain easy access and travel on safely, efficiently and comfortably to their destinations.
- (b) To diligently implement construction strategy, method and standard that will halt the uneconomical deterioration trend of existing infrastructure.
- (c) To develop technical capacity and capability at all levels of the Roding industry such that new initiatives and maintenance of existing infrastructure is delivered economically and sustainably.

2021 / 2022 PERFORMANCE TARGETS

See Section 4



Resurfacing Works on Gordon Street, Suva

How the FRA's Mission, Vision, Goals and Performance Targets contribute to Fiji's Overall Development

The Fiji Government's Key Pillars to which this Mission and Vision and these Goals and Targets contribute are:



Constitution of the Republic of Fiji 2013 - **reasonable access to transportation**

Developing a common national identity and **building social cohesion**

Enhancing **public sector efficiency, performance effectiveness and service delivery**

Achieving **higher economic growth while ensuring sustainability**

Developing **an integrated development structure at the Divisional level**

FIJI ROADS AUTHORITY

Better transport infrastructure is essential for Fiji's development

The attainment of Fiji's expansion is reliant on infrastructure that is reliable enough to inspire people and businesses to invest in the future.

Reliability means that the service being delivered by the infrastructure is consistently available without interruption. Infrastructure standards are largely driven by the need for reliability.

The fundamental element of this infrastructure is the road network. It provides the means for the movement of people and goods between businesses and local and international markets. Roads enable people to get to jobs, education and health facilities. Without reliable transport, these vital connections will remain fragile and Fiji's development will be constrained.

This road network is the most valuable built asset Fiji owns. Years of investment and effort have gone into building up over 6,469 km of roads, 1,387 bridges, and 44 jetties that FRA owns and manages. If this massive infrastructure is going to serve Fiji's future development needs, then two things have to be done:

1. Improve the safety and reliability of the existing network; and
2. Expand the network to provide the capacity for sustained growth.

Fiji Roads Authority was set up to fast track the recovery and expansion of the network

The Fiji Roads Authority (FRA) was established in 2012 to effectively manage and develop Fiji's road network (Refer to Appendix A for "FRA Act 2012" and related amendments) and become fully operational on 1st January 2013. Over the past seven FRA has spent over \$2.4 Billion, road infrastructure maintenance and upgrading of existing roads network and new works.

The FRA uses international best practice of asset management to undertake its function. This is how other developed and developing countries look after their transport, water, electrical and other infrastructure networks. Asset management involves using long term planning to provide the required service at the best value for money. Long term planning is essential.



Honorable Josaia Voreqe Bainimarama, Prime Minister and Minister for iTaukei Affairs, Sugar Industry, Foreign Affairs and Forestry, Officially opening the Antioki Village Access Road

FRA is responsible for Fiji's most valuable built asset

The FRA's 'assets' are all of Fiji's roads, bridges and jetties. This includes the land on which our assets are located, together with all the associated infrastructure such as drainage, street lighting, traffic signals and other street furniture. We also consider our buildings, vehicles and other operational equipment as part of our asset portfolio. They are all managed and maintained using the same principles.

On our latest estimate, these assets are worth over \$9.1 billion making the road and maritime network Fiji's most valuable built asset. The

geographic extent of the FRA's assets are illustrated in Figure 1. A full summary of the asset valuation is provided in Table 14. This data is based on the Asset Valuation done by Erasito Beca in 2015 and straight line depreciation to date.

The FRA shares some of its land with other Government Entities such as the Energy Fiji Limited (EFL), Water Authority of Fiji (WAF) and Telecommunications Fiji Limited (TFL) to enable better delivery of service to the people of Fiji.



Contractor working on Queens Road at Yako Village

Figure 1 - FRA Road Network on all of Fiji's Islands

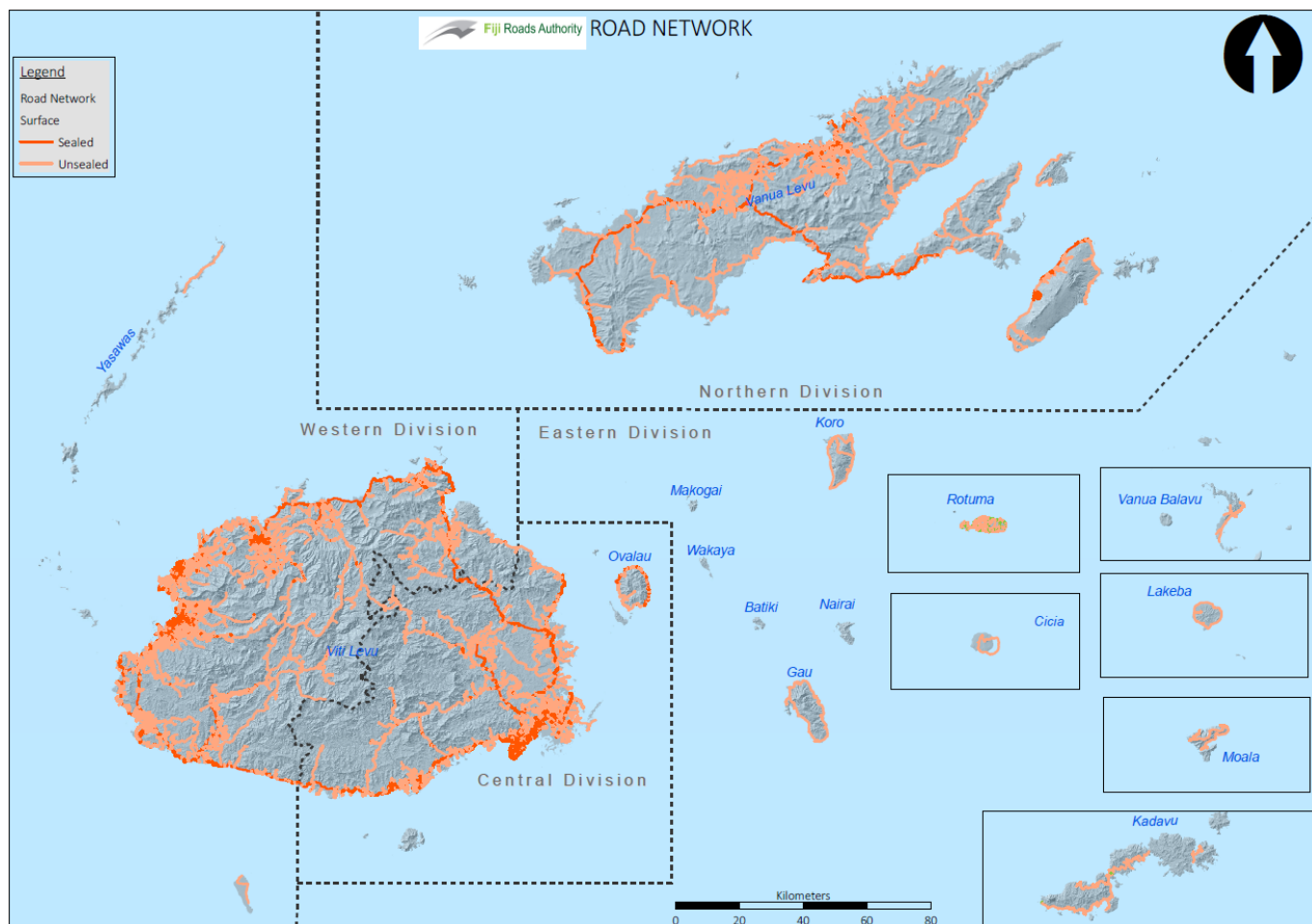


Table 1 - FRA's Assets

Division	Road Network (km)			Bridges Nos.	Jetties Nos.
	Sealed	Unsealed	Grand Total		
Central	670	912	1582	382	10
Eastern	24	472	496	103	18
Northern	395	1577	1972	414	12
Western	721	1668	2389	488	4
Grand Total	1810	4629	6439	1387	44

FRA MANAGEMENT APPROACH

FRA pro-actively maintains, plans and develops the road network to meet Fiji's immediate and long-term needs

FRA has been given the task of developing a road network, which meets the needs of a developing Fiji. Our approach is to focus on two core activities:

1. **Maintaining** the road network to keep it in the desired condition
2. **Expanding and developing** the network to meet tomorrow's needs

Maintenance should be planned and pro-active, otherwise the safety and reliability of the network declines rapidly, or costs spiral out of control. FRA is committed to recovering from the previous decline in the condition of the network and getting ahead of the deterioration by implementing systematic periodic and routine maintenance programme.

This is international best practice and is proven to be the best way forward to bring long term costs under control and provide a safe and reliable network. Ad-hoc decision-making driven by anything other than a well-planned asset management and maintenance intervention strategy will cost more over the life of the asset.

FRA's massive programme of building new roads and widening existing ones will provide extra capacity for economic - growth as well as connecting isolated parts of the country to economic and social opportunity. This aspect of the FRA's intent will take a back stage in this financial year due to Covid – 19 related economic downturn and need to complete the ongoing projects that have been delayed due to MOHMS lifesaving restrictions. Nonetheless, preparatory works for the future initiatives will still be progressed.

management outline the following hierarchy for consideration when developing investment strategies for public infrastructure assets (refer to Table 2 for definitions of types of work):

- ❖ Maintenance
- ❖ Emergency Works
- ❖ Renewal, reconstruction or replacement of existing assets
- ❖ New assets with demonstrable return on investment
- ❖ New assets driven by social, environmental, political and cultural imperatives.

The basic premise is that an asset owner should, over the long term, invest sufficiently in the existing asset base to sustain it. Following this, it is acknowledged that 'lead infrastructure' investments by Governments can create the economic development head room to allow the economy to grow. This pays itself back over time and the growing economy allows investment in projects that are much needed, but do not have economic rates of return in their own right. These projects allow social and economic connectedness to greater proportions of the nation and can assist in slowing rates of urbanization etc. which can place greater burdens on other areas of Government spending and resources.

The principles of infrastructure asset

How we manage our work programme

Table 2 - Types of Work and Expenditure

Activity Area	Description
Operations	
FRA Management and Operations	The costs of FRA's staff, premises, equipment, vehicles and other items, which are essential to the effective operation of the business. This also includes fees for professional and technical services including expenditure on IT systems to improve the efficiency of our network management.
Work Programme	
Maintenance	The work done to keep our existing roads bridges and jetties in working order. This includes minor repairs as well as all the routine works such as vegetation control and keeping drainage systems clear.
Emergency Works	Any work that has to be done to repair damage caused by flooding or extreme weather events. This might include stabilising landslips, fixing bridges or repairing damaged drainage systems.
Renewals - Roads And Services	When assets (roads bridges and jetties) reach a certain level of deterioration they become too expensive to keep on fixing and maintaining. At this point, it represents better value to rebuild the asset. Many of Fiji's roads and bridges have reached this point.
Renewals - Bridges	
Renewals - Jetties	
New Capital (Safety)	New Capital represents the work we do to extend and upgrade the networks. This includes new roads as well as existing ones that we widen or improve substantially.
New Capital (Access)	
New Capital (Community)	We categorise New Capital according to the primary purpose for building the new asset. For example: projects, which are primarily safety, fit into that category; projects such as road widening in Suva are primarily about reducing congestion.
New Capital (Congestion)	
New Capital (Tourism)	
New Capital (Resilience)	



The FRA manages a programme of work which is made up of over 300 items, most of which represent hundreds of separate sub-activities. In order to manage this huge level of activity and expenditure in a coordinated, open and transparent way, we currently divide the programme into 13 categories of work and spending.

One of the ways in which we measure progress throughout the year is through expenditure. Expenditure is the dollar value of the work that has been done. For example, if one of our contractors is building an embankment for a road and moves 1000m³ of earth for a particular task, then this work is measured and recorded.

But expenditure is only one aspect. Other measures that are routinely monitored include being satisfied that everything is within the approved scope and according to the specified technical standards; that it is of the required quantity and quality and has been completed in the agreed timeframe.

It is important to understand that our contractors are only paid for the work they have agreed with our representatives and completed satisfactorily. Where work is later found to be defective the contractor is required to undertake remedial works at their own cost.

Under most of our contractual arrangements the physical work that is done is not paid for until 56 days after the claim for that work has been submitted. This means that we have sufficient time to verify that the work has been completed to the required standard.

Long term planning is the key to good investment decisions

Expenditure and investment of this magnitude requires careful long- term planning to ensure the money is spent properly and wisely. This is why the FRA was initially set up as a planning and procurement authority with transparency and accountability underpinning everything we do.

All of our operational practices, planning principles, risk management, reporting framework and resource management are set out in an integrated set of manuals. This represents international best practice and we endeavor to maintain these manuals with regular reviews. The manuals are subject to ongoing review as we progress through our transformation process.

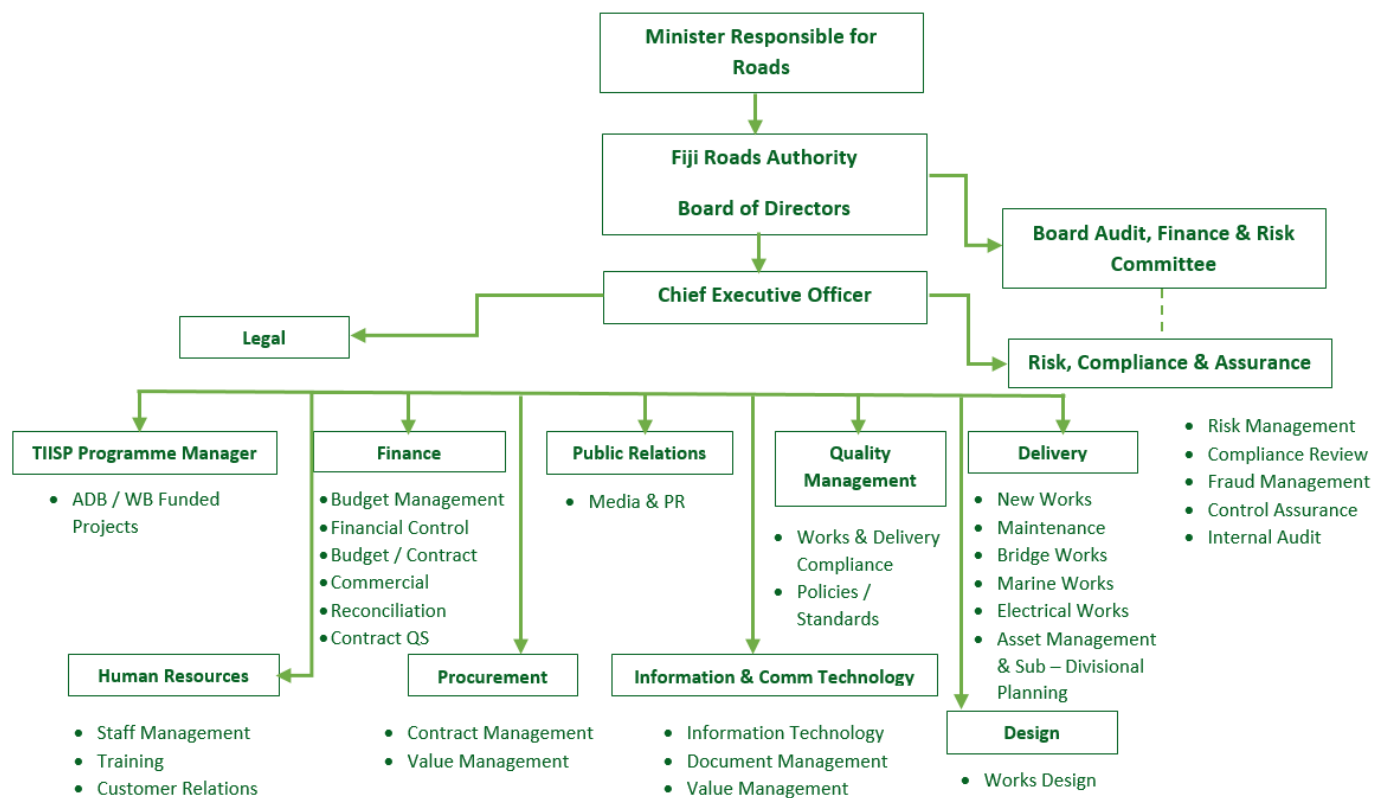
FRA procures all work from the private sector under the scrutiny of a Board

As a statutory corporate entity, the FRA is accountable to the Minister for Infrastructure and Metrological Services through a Board appointed by the Minister.

Under the CEO there are eleven functional areas, each with a manager reporting directly to the CEO. FRA's structure is illustrated in Figure 2.

FRA manages the road assets through a combination of in-house delivery and out-sourced contracts with the private sector.

Figure 2 - FRA's Corporate Structure and Government relationship





A competitive and diverse supply chain maintains, designs and builds the network

Over the course of 2018 to 2020 FRA has been facilitating the development of a sustainable and diverse supply chain to deliver the work. We have made good progress in expanding the role of Fijian involvement and Fijian companies in this supply chain and will continue to make this one of our top priorities in 2021 / 2022.

This supply chain will also evolve as we review our preferred service delivery model.

The structure and functions of the supply chain is shown in Figure 3. The key to delivering value for money from this supply

chain is through competition and effective contract management.

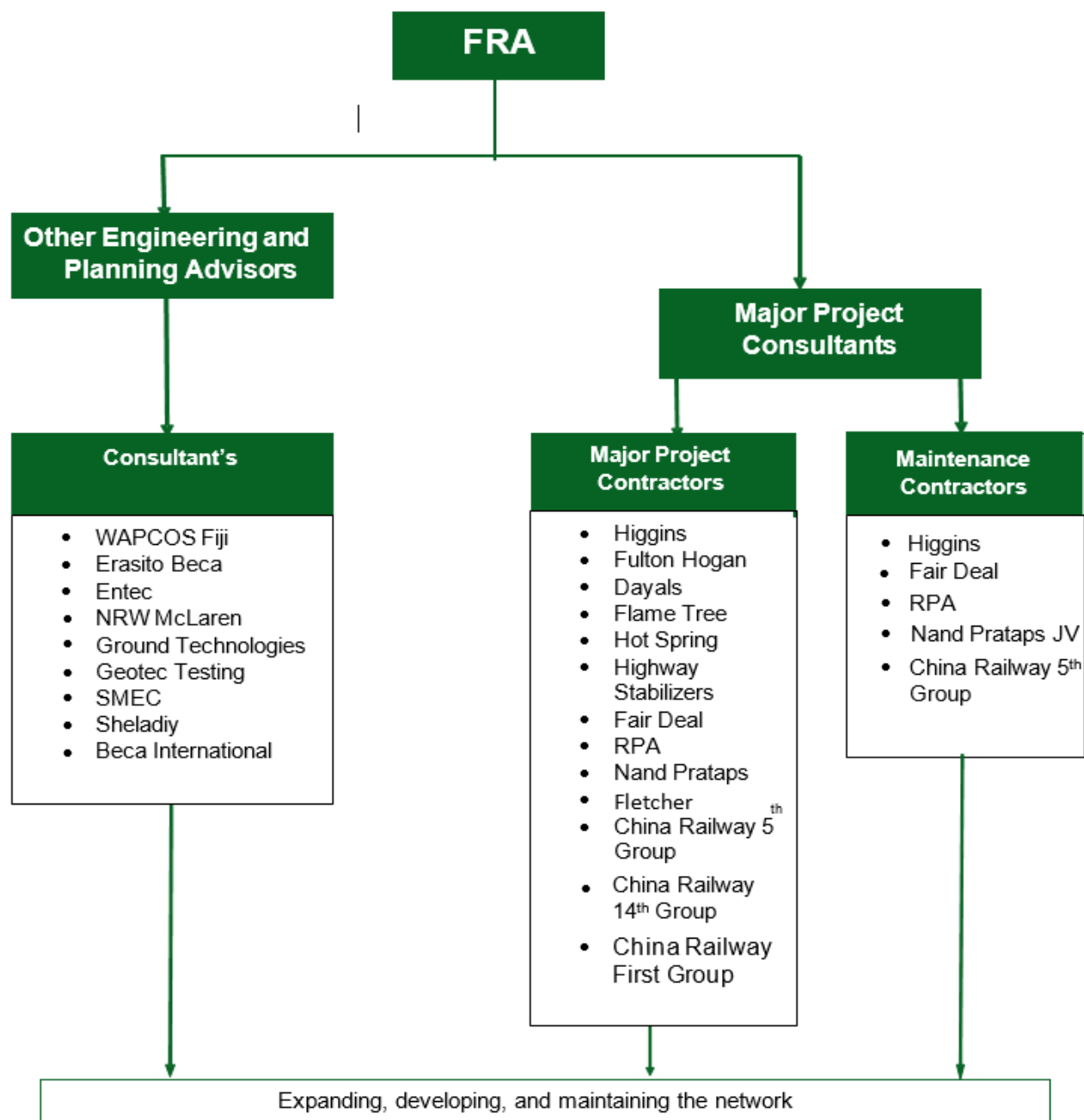
In 2021 / 2022, FRA will continue to encourage the entry of new, high quality, participants both local and international into our supply chain. We will also be packaging our projects in a way that provides opportunities for Fijian companies to get experience in international best practice consulting and contracting projects.

A key challenge of FRA is one of balancing performance against Localization.



Resurfacing works on Pratt Street, Suva under Pot Hole Preventative Maintenance Program

Figure 3 - Fiji Roads Authority's Supply Chain



Work in progress at the Bulu Bridge in Western Division



The Core Business of the FRA

The success of Fiji's continued growth and development is dependent on infrastructure that is reliable, resilient and encourages people and businesses to invest in the future.

During the financial year, 2021 / 2022 FRA intends a significant capital expenditure on maintenance of existing infrastructure.

The core element of Fiji's infrastructure is the road network. It provides the means for the movement of people and goods between local businesses and international markets. Roads enable people to get to jobs, education and health facilities. Without a reliable and resilient network, these vital connections remain fragile and Fiji's development may be constrained

Fiji's road network is probably the most valuable built asset Fiji owns. Years of investment and effort have gone into building up over 6400 kilometers of roads and 1,400 bridges and jetties.

The Challenges

The immediate challenges facing Fiji's infrastructure network include:

- ❖ Increased volume of residential traffic requiring a more structured network in cities;
- ❖ Increased commercial heavy traffic (often over regulation weight limits) causing increased road deterioration rates;
- ❖ Areas of the network of roads, bridges and jetties that are aging and need replacement. Currently, 17 bridges in the network require urgent replacement;
- ❖ Extensive continual maintenance of the network, particularly of rural roads;
- ❖ Constraints on the availability of resources present in Fiji; and
- ❖ Future tropical storms require contingency planning.

What the FRA Intends to Deliver in FY 2021 / 2022

After extensive review of requirements and priorities, the FRA has developed a detailed delivery programme split into four distinct regions, that is, Western, Central, Eastern and Northern.

FRA's focus for the 2021 / 2022 FY is improving the Level of Service of existing Roads, preserving existing infrastructure and completing ongoing projects. FRA through Asian Development Bank and World Bank loan funding will carry works on Kings and Queens Road, which includes new footpath's, street lights, and bus shelters across villages and settlements.

FRA will also work on the designs for forty new bridges located in critical locations and three major Jetties, which are Savusavu, Nabouwalu and Natovi. Foster Road will be having a major facelift with new surface, alongside parking provisions, and new traffic lights amongst major intersections.

A full costed breakdown of the projects for 2021 / 2022 is included in Page 45.

The Resources FRA Requires for Delivery

To meet the challenging delivery schedule set out for the Budget year 2021 / 2022 the Staff Profile summary is as follows:

Description	FRA Budget
Proposed staff level by the end of the financial year 2021 /2022	200
Resourcing cost (Salaries)	\$9,153,673
Other resourcing costs	\$3,406,061
Total	\$12,559,734

A snapshot of the organization's chart is shown in Appendix B.

Customers & Stakeholders

Below is a table of Customers & Stakeholders in priority order:

Customers	Internal Stakeholders	External Stakeholders
The population of Fiji	Fiji Ministerial Departments	Asian Development Bank
	Other Statutory Authorities	World Bank
		Japan International Cooperation Agency
		Other associations and groups

Functions & Services

The function and services provided by FRA is represented in the succinct table below:

Functions	Services
Delivery	Capital projects, Maintenance Works, Bridge Works, Marine Works, Electrical Works, Health & Safety, Environment, Asset Management & Sub – Divisional Planning
TIISP Programme Manager	Management of Transport Infrastructure Investment Sector Project
Design	Works Design & Quality Control
Commercial	Budget Management, Financial Control, Budget / Contract Commercial reconciliation, Corporate Services and IT
Public Relations	Media and Public Relations, Press Release
Legal	Legal, Transaction Support, Implement Legislative and Regulatory Change
Risk, Compliance & Assurance	Risk Management, Compliance Review, Fraud Management, Control Assurance, Policies and Process Governance, Internal Audit Service
Human Resources	Staff Management, Training and Customer Services
Information & Communications Technology	Information Technology, Document Management and Archiving
Procurement	Contract Procurement and Value Management
Quality Management	Works Delivery Compliance and Policies / Standards



Legislative & Regulatory Responsibilities

The FRA's primary legislative and regulatory framework derives from the FRA Act 2012 and the FRA Degree (as amended). In addition, the FRA actively complies with the following legislations:

- ❖ Constitution of the Republic of Fiji 2013;
- ❖ The Finance Act 2004 (as amended);
- ❖ The Public Service Management Act 1999 (as amended);
- ❖ The Finance Instructions and Procurement Regulations;
- ❖ Crimes Act 2009;
- ❖ Employment Relations Act;
- ❖ HASAWA 1996 (OHS Act);
- ❖ LMCC Regulation 2008;
- ❖ HIV Aids Act;
- ❖ Tobacco Free Act; and
- ❖ NEC Act.

Strengths, Weakness, Opportunities and Threats Analysis (SWOT)

In order to achieve the strategic objectives, there needs to be a clear understanding of the FRA's resources and capabilities, as well as areas that require improvement. A detailed SWOT plan has been developed with the key items listed below:

Strengths:

- ❖ The existing Fiji Infrastructure comprising of 1,810km of sealed roads, 4,630km of unsealed roads, 1,387 bridges and 44 jetties. The asset management system that has been implemented over the last 5 years is a critical tool in managing the road network.
- ❖ The FRA has grown from a team of 12 in 2012 to over 200 today. The continued training and development of our staff provides the FRA with an experienced foundation to address the demanding future delivery programme.
- ❖ The Government of Fiji is committed to providing the financial resources needed to maintain and further develop the existing network.

Weaknesses

- ❖ There are numerous parts of Fiji's infrastructure road network that are vulnerable to single point failure with some critical areas that need immediate renovation and replacement.
- ❖ The lack of human resources with adequate technical capability and capacity to deliver the required output.



Opportunities

- ❖ Repackaging some works into larger delivery contracts would make Tenders more economically viable for regional contractors. This would bring additional contractors to Fiji and if managed correctly, it will raise the standard of local construction workers and stimulate new future local contractors.
- ❖ An improvement in the technical capability of FRA with the GIS based asset management system has resulted in the prospect of greater future coordination and collaboration to ensure planned utility upgrade and replacement works can be coordinated more easily with FRA's delivery programme.

Threats

- ❖ There remains a chronic and systemic problem of overloading vehicles throughout Fiji. This is having an immediate and dramatic impact on the road network. In some instances, a new road designed for a 25 years' life is wearing out in three to five years. FRA is working closely with Government and stakeholders to develop a sustainable solution.

As Fiji develops and car ownership (and

use) increases, the pressure on road space will inevitably result in congestion. The FRA continues to work closely with the other Government Agencies, Land Transport Authority and Department of Town and Country Planning to ensure an integrated approach to reducing the impacts of congestion.

The above SWOT analysis highlights some of the challenges and opportunities that shall be addressed or overcome to ensure achievement of FRA objectives.

Meeting the Delivery Programme and How Success will be Measured

The FRA's annual Corporate Plan and the outputs therein have been developed in alignment with the strategic objectives stated in the Fiji National Development Plan (NDP) relating to Fiji's Transport Infrastructure.

The FRA's achievement of these outputs to date highlights our ability to sustain the relevant NDP strategies and outcomes. The outputs that have been developed relate to the FRA mandate and the teams making up the FRA contribute to the attainment of the key performance indicators (KPIs) shown in the next section.

Outputs and Performance Targets of FY 2021 – 2022

Strategic Priorities	What		How	Budget (000,000 FJD) VEP	Who	Targets Measurement of outputs	When	
	Outcomes	Outputs					KPI	
Maintenance	Central Division (km of roads) (Sealed and Unsealed)	1,592	Existing maintenance contracts	72.8	FRA Maintenance Teams lead by General Managers	Continued operation of network. Improved level of service	See Outputs	End FY 2022
	Western Division (km of roads) (Sealed and Unsealed)	2,398						
	Northern Division (km of roads) (Sealed and Unsealed)	1,976						
	Eastern Division (km of roads) (Sealed and Unsealed)	503						
	Bridges Maintenance and Repair (no)	1,387						
	Jetties Maintenance and repair (no)	44						
Renewals and Replacement Programme	Central Division (km of roads) (Sealed Road Rehab)	46	Capital Works Procurement and Delivery	84.8	FRA Design, Procurement and Capital Works Teams led by General Managers	Direct measurement of contracts awarded following SOP procedures and timeframes compliant with procurement legislation. Improved level of service and preserving infrastructure	See Outputs	End FY 2022
	Western Division (km of roads) (Sealed Road Rehab)	22						
	Northern Division (km of roads) (Sealed Road Rehab)	22						
	Eastern Division (km of roads) (Sealed Road Rehab)	2						
	Central Division (km of roads) (Unsealed Road Rehab)	9						
	Western Division (km of roads) (Unsealed Road Rehab)	9						
	Northern Division (km of roads) (Unsealed Road Rehab)	14						
	Eastern Division (km of roads) (Unsealed Road Rehab)	4						
	Renewal work on existing bridges (no)	11						
	Renewal work on existing crossings (no)	4						
	Jetty Renewals Investigation & Design	6						

Outputs and Performance Targets of FY 2021 – 2022

Strategic Priorities	What		How	Budget (000,000 FJD) VEP	Who	Targets	When	
	Outcomes	Outputs				Measurement of outputs	KPI	
New Capital Access (Rural Unsealed Roads)	Central Division (km of roads) (Sealed Road Rehab)	1	Under Existing Contracts	15.9	FRA Design, and Capital Works Teams led by General Managers	Improved level of service	See Outputs	End FY 2022
	Western Division (projects to be completed)	3						
	Northern Division (projects to be completed)	0						
	Eastern Division (projects to be completed)	1						
New Capital Community	Vuci Road Drainage Upgrade Safety Footpaths & Bus Bays (KM)	1.1	Capital Works Delivery	0.92	FRA Design and Capital Works Teams led by General Manager	Direct measurement of contracts awarded following SOP procedures and timeframes compliant with procurement legislation	See Outputs	End FY 2022
	Street Light Installation in Savusavu & Labasa (Number of lights)	568						
New Capital Congestion Programme	Feasibility Study & Detailed Design of Labasa Bypass Stage 1 & 2	Study completed to tender out the project	Capital Works Procurement and Delivery	0.17	FRA Design, Procurement and Capital Works Teams led by General Managers	Direct measurement of contracts awarded following SOP procedures and timeframes compliant with procurement legislation	Milestone based deliver for each project	End FY 2022

Outputs and Performance Targets of FY 2021 – 2022

Strategic Priorities	What		How	Budget (000,000 FJD) VEP	Who	Targets	KPI	When
	Outcomes	Outputs				Measurement of outputs		
New Capital Tourism Programme	Works to improve road networks leading to tourism Activities	Queen Elizabeth Drive	Capital Works Procurement and Delivery	15	FRA Design, Procurement and Capital Works Teams led by General Managers	Direct measurement of contracts awarded following SOP procedures and timeframes compliant with procurement legislation	Milestone based deliver for each project	End FY 2022
ADB / WB Loan Transport Infrastructure Investment Sector Project	Rehabilitation of roads, bridges and rural jetties	Kings & Queens Road Rehabilitation, SARUP II, Reseals, Critical Bridge Design & Due Diligence, Nabouwolu/Natovi & Savusavu jetty Loan	TIISP / FRA Capital Works Project Team	70	TIISP / FRA Capital Works Project Team led by ADB Projects Programme Manager	Direct measurement of ADB/WB Contractual Deliverables	Milestone based deliver for each project	End FY 2022

Resourcing plan

The table below contains a summary of the construction management resources required to deliver the FY 2021 / 2022 Work plan.

Work Program	Total Staff	Central	Eastern / Outer Islands	Western	Northern
MAINTENANCE	49	18	17	11	3
EMERGENCY WORKS	18	2	11	3	2
RENEWALS - ROADS AND SERVICES	15	8	0	5	2
RENEWALS - BRIDGES & CROSSINGS	6	1	0	3	2
RENEWALS - JETTIES	2	1	0		1
NEW CAPITAL (Safety) - Fiji Decade of Action for Road Safety	4	2	0		2
NEW CAPITAL (Access)	9	2	1	5	1
NEW CAPITAL (Community)	1	1	0		
NEW CAPITAL (Congestion)	1	1	0		
NEW CAPITAL (Tourism)	1	1	0		
Total	106	37	29	27	13

In addition to the above construction management resources, a further 94 resources have been required for the following functions:

- ❖ Risk Compliance and Assurance;
- ❖ Planning and Subdivision;
- ❖ Project Controls;
- ❖ Design;
- ❖ Procurement;
- ❖ Human Resources;
- ❖ Communications;
- ❖ Quantity Survey;
- ❖ Lands and Survey;
- ❖ Environment Management;
- ❖ Health and Safety;
- ❖ Document Control;
- ❖ Customer Services;
- ❖ Fleet;
- ❖ Legal; and
- ❖ Finance



KEY CHALLENGES

The FRA faces a number of key

challenges in our areas of activity. Our priorities for planning and action are based around our commitment to overcoming these in the next few years. We describe some of these challenges below.

Fiji is now experiencing an emerging crisis in road deaths

Road fatalities numbers seemed to decrease to 45 deaths in 2020 compared to the same period as 2018. There have been a total of 11 road fatalities up to July, 2021.

It is the case that this reversal is coincident with significant improvements in road conditions and therefore higher vehicle speeds. This is likely to have been compounded by the introduction of newer, faster vehicles into the national vehicle fleet.

There have been a few initiatives in the recent years in improving road safety for both drivers and pedestrians through new capital safety projects. Some of which included the installation of new pedestrian crossings and widening footpaths, improvement in night vision and visibility through continuous installation of street lights and more.

Health and safety has always been FRA's highest priority, however it will take

several more years before a fully measurable and transparent performance measurement regime at this secondary, output based, level is established.

There needs to be a concerted effort to improve the engineering, educational and emergency service responses to this emerging challenge.

Towns and cities in Fiji are experiencing substantially increasing levels of congestion

Road users are expressing frustration about increasing levels of congestion and delay on the busy roads in our towns and cities. Road traffic congestion also affects the economy, results in increased pollution and creates pressure for more dispersed development, which leads to more congestion.

As Fiji develops and car ownership (and use) increases, the pressure on road space will inevitably result in congestion. This may not just be limited to peak periods. Fiji can't just build its way out of this. The resources are not available and experience in almost every city across the world shows that the new road space fills up quickly.

FRA promotes a more integrated response involving carefully planned road projects, improved public transport and reducing the need to travel through better land use planning.

We will also continue to work closely with the other Government Agencies, LTA and Department of Town and Country Planning to ensure an integrated approach to reducing the impacts of congestion.



Better quality data to ensure that we plan our work more effectively

The GIS based register of all our assets will play a central role in prioritizing maintenance, renewals and new road construction. Details and locations of all our assets are recorded in this System including material type, condition, capacity, criticality, performance, age and remaining life.

This computer-based system was first established in 2013 and the initial data collection effort is now almost completed. The key challenge will be to implement an Asset Management System with linkages between Project Management, Financial Management and Customer Service.

Systemic Vehicle Overloading

The FRA has adopted best practice in designing and building our roads. Road design incorporates a range of considerations, a critical one of which is axle weight. This feeds directly into how strong a road is designed and built. The stronger the road, the more expensive it is.

In 2016 FRA became aware of chronic and systemic overloading of vehicles throughout Fiji. This is having an immediate and dramatic impact on the road network. In some instances, a new road designed for a 25 years life is wearing out in three to five years.

This is unsustainable and poses a significant challenge to the programme. FRA is working closely with Government and stakeholders to develop a sustainable solution.



Works carried out at Amy Street during the 2020 / 2021 FY.

THE 2021 - 2022 WORK PROGRAM

This document is our 'Business Plan' for 2021 / 2022

The preceding discussion in this overview provides the basis for our spending priorities for 2021 / 2022.

In the remaining sections of this document we include details of what we intend to do and how we will fund it. It is very important to remember that this is not a one-off programme of expenditure. It must be seen as part of a long-term plan for the recovery of the network and providing new capacity to help Fiji grow.

Overall, the FRA is planning to spend \$272m in 2021 / 2022 (see Table 3). This expenditure and investment have been funded by Government Grants and Loans, the details of which are included in later sections.

We have put enormous effort into planning this programme to make sure:

- ❖ it can be delivered within time and budget (taking into account capacities and risks);
- ❖ it represents value for money; and
- ❖ it will help deliver the long-term goals.

Table 3 – 2021 / 2022 Work Programme and Operations

Activity Area	Total VIP (\$)
Operations	
FRA Management and Operations	12,559,734
Sub-Total	12,559,734
Work Programme	
Maintenance	72,868,091
Renewals – Roads, Bridges and Jetties	84,848,088
New Capital	32,081,368
TIISP	70,000,000
Sub-total	259,797,547
Total	\$272,357,281

ACCOUNTABILITY PERFORMANCE MANAGEMENT

The FRA is driven entirely by results and we have a comprehensive plan for monitoring every aspect of our business. The monitoring plan involves objectively measuring performance across a wide range of indicators, which will help us to track improvement and make changes where necessary.

As better-quality information is compiled, and we understand our stakeholder's expectations better, we will continue to develop the Performance Management regime over the course of 2021 / 2022. Further details of the performance management indicators are provided in Section 4.

Table 4 – High Level Performance Targets – Key Performance Indicators Only

Code	Service Area	Performance Target
1A.1	Health and Safety	Less fatal and serious injury accidents – total.
1A.2		A reduction in the social cost of all recorded injury crashes.
3A.1	Asset Stewardship	An annual reduction in the value of deferred maintenance/deferred renewals.
3A.2		100% planned new capital and renewal projects completed.
3B.7		Bridges condition improved
4C.2	Environmental Stewardship	The FRA has approved environmental assessments and drainage permits for all situations where these are required.
Code	Service Area	Performance Target
5A.1	Service Quality	Reduced congestion by route.
5A.2		Not less than 40% of the stakeholders surveyed (periodically) rate the overall service as 'satisfactory' or 'very satisfactory'.
6A.1	Compliance	100% compliance with all legislative, regulatory and other requirements.
7A.1	Financial	Total operating costs were within the approved total budget.
7A.2		New capital and renewal projects were completed within the approved total budget.

FRA's PEOPLE

FRA is a flagship of Government's reform of the Public Service. It has been established as a stand-alone corporate entity to be governed by an appointed Board that is expected to implement best practice and corporate governance. Currently FRA has around 213 staff in total, which will include both technical and non-technical staff.

This structure is under constant review as we progress through the year.

Table 5 lists the values that we promote and expect all of our employees to respect and adhere to. Standing by these values will remain the continuing success factor for our delivery.

Table 5 – FRA Values

Personal	<i>Honesty and integrity – personal accountability</i>
Productivity	<i>An organisation focussed on getting things done</i>
Safety	<i>Public safety above all else</i>
Environment	<i>Protection (and where possible enhancement) of the local environment</i>
Planning	<i>Long term, inter-generational thinking – expedient short-term decision making avoided</i>
Customers	<i>Road users and other comments and complaints treated seriously and with respect</i>
Expenditure	<i>Value for money in everything we do</i>
Empowerment	<i>Continually and consistently seeking to empower Fijians to upskill</i>
Innovation	<i>Constantly thinking about how to 'do better'</i>
Openness	<i>'Tell it as it really is' – problems and mistakes confronted head on</i>
Results Driven	<i>It's only the results against our targets that matter – and that must be our focus at all levels and at all times</i>

Significant Assumptions and Risks

In preparing this Corporate Plan the FRA has had to make a number of assumptions. Should everything not happen as has been assumed the proposed work programme may be adversely affected. Eight areas where there is the potential for this to happen are listed in Table 6

Table 6 – Significant Assumptions

No.	Assumption	Likelihood of the Assumption Eventuating	Comments – Including the Likely Impact of Each Assumption
1	Annual Inflation and Cost Escalation During The Year Will be less than or equal to 5%	Medium	<p>Inflation is the general price level of all goods and services. Cost escalation is the cost price of specific goods or services over a period and the two have to be considered carefully because they can differ so much.</p> <p>If prices increase as a result of either, the financial forecasts will have to be increased.</p> <p>The likelihood of this assumption eventuating is medium because there is the possibility that inflation or cost escalation (relating to a significant aspect of the FRA's operations) will occur.</p>
2	The FRA Will Receive Sufficient Funding To Enable them To Carry Out Its Proposed Works Programme	Medium	<p>The likelihood of this assumption eventuating is medium because the Government has already approved the funding for the work listed in this Corporate Plan. The key risk is that Government's revenue assumptions are not borne out to allow full funding of the programme due to COVID.</p>
3	An Extraordinary Major Disaster Event Will Occur That the cost of repairing damage caused by any storm event (or other natural hazard event that may occur)	High	<p>Significant storm events are a fact in Fiji. This budget does not includes any amount for storm damage, if affected a revised budget would be done</p> <p>The likelihood of this assumption eventuating is high because there have been some very significant weather events in recent years.</p>
4	No Other Extraordinary Risk Event Will Occur That no extraordinary risk event will occur – that all identified risks will be able to be avoided or mitigated in the manner recorded in the FRA's Risk Register	Medium	<p>Should an extraordinary risk event occur the most likely impact would be a realignment of funding with the budget allocated from the Government.</p> <p>The likelihood of this assumption eventuating (i.e. of an extraordinary risk event not occurring) is medium because although the FRA has done a lot of work to identify all potential risks and agree a mitigation strategy for each (and where required make provision for it) there is the possibility that it may have missed something and/or that an event may occur that will have consequences that will require realignment of funding to resolve.</p>

No.	Assumption	Likelihood of the Assumption Eventuating	Comments – Including the Likely Impact of Each Assumption
5	Significant Asset Failures (Or Other Unexpected Costs) That there are no unforeseen significant asset failures for reasons other than storm damage – or no additional work identified as being urgent or which, for some other reason the FRA is financially liable for, that is in addition to that already planned. (e.g. bridge surveys identify additional urgent remedial works, a bridge collapses or a major slip occurs)	Medium	<p>In preparing this year's work programme the FRA has endeavoured to make reasonable financial provision for all foreseeable needs and obligations. There is always a possibility however that additional non-programmed costs will be incurred because:</p> <ul style="list-style-type: none"> a) any unscheduled work need (including a need caused by a land development project – e.g. forestry harvesting, mining, or major public infrastructure development) of which the FRA was unaware or did not expect) arises; b) of some sort of legal dispute; or c) the FRA has a legal obligation of which it was previously unaware. <p>The likelihood of this assumption eventuating (i.e. there not being any significant asset failures or unexpected costs during the year) is medium because the FRA's knowledge about the network, and especially about the condition of the various assets, is much improved but further work is required.</p>
6	Covid – 19 Pandemic The impact of Covid – 19 Pandemic towards public expenditure on Infrastructure and increase in project cost implementation	High	<p>The likelihood of the Assumption taking place is really high as we can already see an increase in project implementation cost due to delay in shipping, material procurement, hiring of Specialised Personnel's, adverse impact on supply chain, and progress of Capital Projects.</p> <p>Fijian Economy is experiencing a contraction and given the time and continuous impact of the Pandemic, we can forecast that the future Capital Grant towards Road Infrastructure may be affected and which will see a freeze on expenses towards New Capital Projects while concentrating on Economic Growth and encouraging private sector investments.</p>

Note: If the 'likelihood of the assumption' eventuating is 'low' there is a high chance the assumption as stated will not be the case. If the rating is 'high', it is probable that the assumption as stated will occur. If the rating is 'medium', the assumption may or may not be correct. 'Certain' likelihood means that the assumption will definitely eventuate



Work in Progress at the Tavualevu Bridge – Western Division

FRA has a comprehensive system of risk management – including a mitigation plan for every risk. The most significant risks it faces (in order of the potential adverse consequences) are included in Table 7.

Table 7 – Significant Risks

No	Risk No	Risk	Description	Mitigation and Treatment Plans	Impact
1	R001	Inadequate change management relating to project and programme delivery (including insufficient budget funding for required works and materials availability)	<p>Inadequate business processes, resourcing, and IT systems resulting from the implementation of change initiatives or programme delivery including major projects. The consequences of this risk event may include reputation damage or financial loss as a result of weaknesses in the control environment and non-compliance with regulatory requirements.</p> <p>This risk includes instances of</p> <ul style="list-style-type: none"> - Failure to implement Project Management Framework; - Non-adherence to TIISP Loan Covenant; - Risk of projects failures, errors or frauds due to inadequate end to end planning & testing; - Unavailability of competent contractors in the market; - Contractor fails to submit full delivery programme relating to the project; - Contractor fails to submit Performance Security or Bank Guarantee in FRA's approved conditions; 	<p>- Mitigations</p> <p>Annual Costed Operational Plans, Master Delivery Programme for FRA, Monthly Budget Expenditure Reporting & Monitoring, Stakeholder Engagements, Project Performance Reporting, SOP Reporting to Ministries, MOU, Work Site Inspections, Network Development & Maintenance Strategy, Monthly Contractor Performance Reporting, Service Request Monitoring Process, Project Risk & Mitigation Registers and Project Implementation Handover & Sign-off.</p> <p>- Treatments</p> <p>AMP System Integrated, Completion of Transition</p>	<ul style="list-style-type: none"> - FRA not able to deliver work programme; - Contractors unable to fulfil contract requirements; - Projects not completed to time; - Budget taken to other ministries; - Road users inconvenienced; - Funds have to be diverted – other jobs delayed; - Interruption to levels of service; - Disputes about whose fault it is; - Ongoing disputes about the quality of the repair work; - Work Programme not delivered; - Projects not completed to time, cost and quality requirements; and

No	Risk No	Risk	Description	Mitigation and Treatment Plans	Impact
			<ul style="list-style-type: none"> - Contractor fails to address environmental related matters (e.g. removal of asbestos from the work site, river gravel extraction approval, waste material disposal, etc.); - Loss of original Performance Security or Bank Guarantee; - Bank denies to encash Security Bonds; - Delay in contract execution; - Inadequate or failure to submit designs in a timely manner resulting in programme delays and cost escalation claims; - Failures in the transition of projects into BAU e.g. No long-term maintenance and development plan for the road maintenance network; - Failure to close project i.e. performance certificate issued without signed copies of As-Build submission; - Insufficient funding from Government; - Required materials not available for roadworks; - Land acquisition not completed, and project been executed; - Planned roadworks aren't completed to the intended scope & standard; - Risk of errors due to the volume and complexity of change initiatives (e.g. utilities' services' location not known, utilities' use of the road reserve in an uncontrolled way, 	<p>Program to enhance staff capacity on delivery, Annual Delivery Plan, and BU Process Mapping & Ops Manual Re-Write.</p>	<ul style="list-style-type: none"> - Levels of service not delivered in a consistent way.

No	Risk No	Risk	Description	Mitigation and Treatment Plans	Impact
			unauthorized encroachments on the road reserve, land purchase for road/ utilities' relocation-delays, etc.); - Programme delays due to adverse weather conditions or required environmental approvals not provided on time; - Lack of resources with the appropriate skills and experience; and - Changed in political direction.		
2	R003	Damage to physical assets	Damages to roads, bridges and jetties as a result of a natural disaster or other events, or act carried out by an external party. Includes instances of: - Damages to road infrastructure assets due to natural disasters e.g. road slip or blocked by fallen trees, power poles or landslide; - Physical asset failure (bridges / jetties damaged or washed away); - Damage to roads by heavy vehicles (e.g. forestry, cane and mining trucks and construction vehicles); - Road Slips; - Damage to FRA roads and assets due to driver negligence accidents; - Unclear legislation on vehicle loading capacity;	- Mitigations Asset Management Plan, Critical Asset Management Register, Road Asset Maintenance Management System in place (RAMM), Geographical Information System in place (GIS), Fixed Assets Register, Insurance Policies in place, Corridor Access Approvals, Rehabilitation & Resealing programme in place, Annual Works Program, Critical Bridge Strategy & Delivery Plan in place and Network development & maintenance strategy plan.	- A significantly damaged road (or roads); - Significant unforeseen costs to repair the damage; - Funds have to be diverted – other jobs delayed; - Other road users inconvenienced and dissatisfied; - Serious interruption to levels of service; - People stranded; - Public health/safety issues; - Damage very costly to repair; - Normal work may have to be suspended to enable

No	Risk No	Risk	Description	Mitigation and Treatment Plans	Impact
			<ul style="list-style-type: none"> - Transportation of heavy objects that are in excess of legal load; - Property or infrastructure Damage; - Losses from external sources (e.g. vandalism on road sign boards); - Physical asset failure (bridges / jetties damaged or washed away); - FRA Vehicle Accidents; - Loss of FRA Assets; and - Reoccurrence of slip failure due to design defects. 	<p>- <u>Treatments</u></p> <p>AMP System Integration, Completion & Endorsement of BCP, Enterprise Resource Planning Implementation and Strategic Plan for FRA.</p>	<p>urgent repairs to be undertaken; and</p> <ul style="list-style-type: none"> - Increase in stakeholder's complaints.
3	R004	Business disruption (Due to critical asset failure, extreme weather patterns, global pandemic s or civil unrest)	<p>Unplanned business disruption as a result of a localized physical event, resulting in an inability to carry out normal operations. Occurrence of this risk event may result in invocation of Business Continuity procedures.</p> <p>Includes instances of:</p> <ul style="list-style-type: none"> - Critical assets haven't been identified or have been identified but aren't being properly managed; - No up-to-date emergency operations response / recovery plan; - An unforeseen risk event occurs (e.g. bridge failure, road slip or land slide.); - Failure to implement emergency response team hence creating stakeholder issues; 	<p>- <u>Mitigations</u></p> <p>Emergency Procedure Manual, Asset Management Plan, regularly monitoring of all bridges & jetties that are known to be in a major substandard condition, Critical Bridge Delivery Plan, Network Resilience Planning, COVID-19 Contingency Plan and Work from Home Concept.</p>	<ul style="list-style-type: none"> - Loss of service; - Serious interruption to levels of service; - Public out-cry leading to increase in complaints; - Political pressure; - Unplanned traffic management set ups; and - Critical bridge failures leading to nationwide interrupted services including utilites.

No	Risk No	Risk	Description	Mitigation and Treatment Plans	Impact
			<ul style="list-style-type: none"> - Failure to address to address infrastructure damages in timely manner which leads to economic impact; - Remediation costs, staff overtime costs and compensation to contractors; - Prolonged weather conditions; and - Civil Unrest or Economic depression. 	<p>- <u>Treatments</u></p> <p>Completion & Endorsement of BCP, Completion & Endorsement of DRP, AMP System Integration, Critical roles to be identified & Succession Planning to be done and BU Process Mapping & Ops Manual Re-Write.</p>	
4	R005	Inadequate contractor, vendor & supplier management	<p>Inadequate due diligence, tender, contract approval and monitoring processes or service expectations / agreements with contractor, vendor and external suppliers.</p> <p>This includes instances of:</p> <ul style="list-style-type: none"> - Systemic contractor poor performance; - Lacking understanding over contractual terms and conditions; - Inadequacy around tender evaluation and review process; - Poor contract management processes; - Poor contractor, vendor or supplier selection; - Contractor concentration issues, i.e. too many contractors in a geographic region /overreliance on a single contractor; - Poor set up of supplier or alliance PESA (e.g. MWH & Opus) contracts; - Contractor / Vendor sustainability; 	<p>- <u>Mitigations</u></p> <p>Procurement Process, Due Diligence on Contractors & Consultants, Signed Contractual Agreements, Compliance Review over Contractual Documents, Performance Security Bonds in place for all Contracts, Monthly Contractor Performance Reporting, Contract Conditions under FIDIC, Full, complete & continuous record of all contract retentions are kept, Contracts Management Register in place and Project Control Sheet sign-off for each stage of Procurement.</p>	<ul style="list-style-type: none"> - Contractors unable to fulfil contract requirements; - Disputes about whose fault it is; - Ongoing disputes about the quality of the repair work; - Work Programme not delivered; - Over or under payment of IPCs; - Contractors claiming payment outside contractual sum; - Projects not completed to time, cost and quality requirements; - Road users inconvenienced; and

No	Risk No	Risk	Description	Mitigation and Treatment Plans	Impact
			<ul style="list-style-type: none"> - Unavailability of competent contractors in the market; - Inadequate procurement processes and non-adherence to tender requirements; - Failure to address contractor claims in a timely manner (e.g. over billing, falsified claims, etc.); - Contractual disputes not addressed; - Untimely contractual termination; and - Unjustified variation claims. 	<p>- <u>Treatments</u></p> <p>Endorsement of Updated Procurement Manual, Annual Procurement Plan, Annual Delivery Plan and Completion of Transition Program to enhance staff capacity on delivery.</p>	<ul style="list-style-type: none"> - Increase in Project Management Cost.
5	R006	Failure of critical systems and IT infrastructure	<p>Instability, poor performance, outages or failure of systems or infrastructure preventing the business from meeting its requirements.</p> <p>This risk captures:</p> <ul style="list-style-type: none"> - Hardware failures; - Software failures; - IT Network / Server failures; - Telecommunications failures - Utility outage / disruptions (FEA and Internet); and - Delivery failures of external IT vendors. <p>This risk covers the business impacts of disruptions due to the failure, unavailability or poor performance of systems and IT infrastructure.</p>	<p>- <u>Mitigations</u></p> <p>ICT Policy in Place, Data Back Up, Server Capacity Monitoring, Stakeholder Approval on System Change Request, Utility Power Supplier installed & maintained, System Access Management & Reviews and Secondary Server & Comms Link in place.</p> <p>- <u>Treatments</u></p> <p>Completion & Endorsement of DRP.</p>	<ul style="list-style-type: none"> - Loss of network communication; - Inability to access emails and shared folders; - Inability to manage public expectations; - No access to customer service system; - Delay in delivery which includes services, payments over progress claims and urgent network maintenance; and - Inadequate updates to RAMM and GIS system.

No	Risk No	Risk	Description	Mitigation and Treatment Plans	Impact
6	R002	Failure of data management framework and processes	<p>Errors and inadequacies in the collection, recording, maintenance, testing and / or reconciliation of data, resulting in incomplete or inaccurate management information. The consequences of which include inaccurate data being used for management decision-making and reporting.</p> <p>This would include instances of:</p> <ul style="list-style-type: none"> - Poor general financial management information leading to budget blowouts or lack of allocation or reduced annual funding; - Insufficient provision is made for the local share of 'predominantly loan funded' works; - No reliable (i.e. complete and accurate) records are available about asset location, material type, condition, performance, capacity, age, valuation or remaining life; - Inadequate Asset Management planning; - Inadequate reporting over capital projects; - Inadequate management of the vehicles that have been purchased via loan funded projects; - Processes and Policies are not reviewed and aligned to changing business requirement; and - Inadequacy around reviewing claims submitted from contractors. 	<p>- <u>Mitigations</u></p> <p>Procedures Manuals & Policies in Place, Annual Budget Review & Approval Process in Place, Budget Forecast against Actuals monthly variance reporting, GL Reconciliations, Financial Reports Preparation & Submission to Relevant Reporting Ministries, Project Performance Reporting, Compliance review trackers in place and Delegated Authority Limits.</p> <p>- <u>Treatments</u></p> <p>BU Process Mapping & Ops Manual Re-Write, AMP System Integration and Enterprise Resource Planning Implementation.</p>	<ul style="list-style-type: none"> - Process execution failures; - A lower standard network; - Roads not upgraded and widened as desired; - Jetties/crossing not able to be maintained and renewed; - Roads resealed at a slower rate (meaning rougher roads and or potholes); - Bridges not able to be upgraded and replaced as needed (continuing weight and other restrictions – perhaps additional bridges having to be closed); - Less rehabilitation work done annually (more dilapidated roads); and - Inadequate information provided to board and government stakeholders on major projects progression.

No	Risk No	Risk	Description	Mitigation and Treatment Plans	Impact
7	R017	Inadequate employee, customer and worksite health, safety & security	<p>Non-compliance with Occupational Health and Safety (OH&S) regulations and physical security requirements resulting in compensation payments, litigation costs and/or regulator fines.</p> <p>This risk includes issues relating to:</p> <ul style="list-style-type: none"> - Inadequate OH&S measures to prevent the injury of staff or contractors' staff in the provision of a working or business environment; - Work site hazards inappropriately handled; - Inadequate security protection measures in place for commercial buildings and operations centers; - Staff assaulted on project worksite or on FRA network; - Public Liability Claims, resulting in Public compensation claims due to negligence, or personal injury; - Employee Liability Claims, resulting in Employee compensation claims due to negligence, or personal injury; and - No proper procedures around handling and removal of asbestos. 	<p>- Mitigations</p> <p>OHS Committee in place with staff awareness, Workplace Inspection Checks - Health Safety & Wellbeing, Evacuation Plan & Half Yearly Drills, Fire Equipment Servicing, Visitor Register in place, Incident management and Reporting (Environment and Health & Safety), Site Hazard Register, Health & Safety Audit of Completed Projects, Health and Safety Policies & Procedures and Plan Network Inspection Travel with a minimum of 2 staff.</p> <p>- Treatments</p> <p>Dash Cam Installed in all FRA vehicles.</p>	<ul style="list-style-type: none"> - Non-compliance to regulatory requirements; - Fines and penalties imposed; - Unsafe network for public usage; - Increase in third Party Liability; - Increase in Compensation claims; - Work Site injuries and death; - High LTI (Lost Time Injuries) and sick days; and - High employee turnover.
8	R007	External fraud, theft and	Loss of FRA funds, physical assets or data through robbery, theft or by deception (fraud) carried out by external parties or professional	<p>- Mitigations</p> <p>Procurement Process, Due</p>	<ul style="list-style-type: none"> - Contractors unable to fulfil contract requirements;

No	Risk No	Risk	Description	Mitigation and Treatment Plans	Impact
		robbery	<p>engineering Service Advisors (PESA) or contractors.</p> <p>This would include instances of:</p> <ul style="list-style-type: none"> - Fraud through cheques, Performance Security Bonds or Bank Guarantees, contractors, professional service advisors, and fraudulent claims; - Theft or fraud of physical assets or funds (e.g. cash, credit cards, cheques) or contractor data; - Provision of information (e.g. contract or tender information) by third parties with the intention to defraud; - Theft of funds / data by third party contractors; - Fraudulent billing by Suppliers or Contractors; - Contractor submits fraudulent As-Builds Drawing that does not match with surveyed construction works; and - Untested/failed materials used in road works. 	<p>Diligence on professional service advisors and contractors before engagement, Signed Contractual Agreements in place, Contracts progress payments claim review from QS to ensure all contract requirements are promptly met, Approval Process in place for contract variation, time extension & cost escalation, Physical Access Management, System Access Management & Reviews, Authentication Review over all Bank Guarantee & Insurance Policies and Work Site Inspections.</p> <p>- <u>Treatments</u></p> <p>BU Process Mapping & Ops Manual Re-Write and Endorsement of Updated Procurement Manual.</p>	<ul style="list-style-type: none"> - Fraudulent demand bank guarantees in place and unseen losses; occurrence; - PESA or contractors not performing work in the interest of FRA; - Work Programme not delivered; - Inflated figures on IPCs; - Contractors claiming payment outside contractual sum; - Unjustified variations; - On purpose work delays; and - Projects not completed to time, cost and quality requirements.
9	R015	Breach of system security	External parties gaining unauthorized access into FRA systems with the intention to defraud, misappropriate contracts / data or deliberately cause damage.	<p>- <u>Mitigations</u></p> <p>Physical Access Management, System Access Management & Reviews, Anti-Virus & Firewall</p>	<ul style="list-style-type: none"> - Tender bid information leakage of theft; - Contractor information theft;

No	Risk No	Risk	Description	Mitigation and Treatment Plans	Impact
			<p>The consequences of this risk event may include financial loss through theft and/or remediation costs such system repair costs. This would include instances of:</p> <ul style="list-style-type: none"> - Hacking (attempts and successes) to inflict malicious damage; - Hacking to steal contractor, tender or staff information; - Staff steal or discloses company information; and - Introduction of viruses. 	<p>Protection, Payment system requires user login & dual authorization, Payment system core management by Banking Service Provider and Regular System Security Updates.</p> <p>- <u>Treatments</u></p> <p>Restrict USB access on company laptop and IT to implement file audit tracking tool.</p>	<ul style="list-style-type: none"> - System or email outage due to introduce of virus; - Reputation damage; - Delivery delays; - Fraud claims approved or been processed; - Unauthorized funds reallocation; and - Inflated figures on IPCs
10	R010	Inadequate design, delivery and maintenance (Including design risks from climate change)	<p>Inadequate design, delivery and maintenance, resulting in financial loss through litigation costs and / or remediation costs.</p> <p>This includes instances of:</p> <ul style="list-style-type: none"> - New road development and changes to existing road; - Misalignment between the offering and actual implementation / delivery design flaws prior to / post product launch of new road; - Poor implementation of changes to existing roads / bridges e.g. traffic growth continues at pace and the FRA doesn't have a practical plan for addressing the congestion that is getting progressively worse in peak hours; 	<p>- <u>Mitigations</u></p> <p>In House Management of Designs, Consultant Peer review of all High Risk FRA Designs, FRA Independent ETC reviews As-Built Drawings before sign-off, PI & PL Insurance Policies are in Place, obtain design values from historical data, Download climate change scenarios for the design variables, regularly monitoring & inspections of all bridges and jetties that are known to be in critical condition</p>	<ul style="list-style-type: none"> - Inconvenience to road users; - Infrastructure Failure; - Road Network does not correspondence to as-built designs; - Increase in maintenance cost; - Public dissatisfaction; - Constrained economic development; - FRA not able to deliver work programme; - Interruption to levels of service; and

No	Risk No	Risk	Description	Mitigation and Treatment Plans	Impact
			<ul style="list-style-type: none"> - Increasing road congestion with no planned or programmed solution; - Ineffective ongoing maintenance of roads; - Inadequate documentation of the process, policies and procedures; - Ineffective performance monitoring; and - Climate change impact/Climate change risk on infrastructure / projects not 'climate-proofed'. 	<p>and Annual Delivery Programme in place.</p> <p>- <u>Treatments</u></p> <p>'Future Traffic Growth Planning in place that provides estimate indication on car, bus, freight and pedestrian volumes and movements, Enterprise Resource Planning Implementation, Climate-change adjusted rainfall projections to use within hydrologic calculations of design water discharge, flood level and flow velocity and Climate risk screening - check for contextual climate risks at project concept stage.</p>	<ul style="list-style-type: none"> - Non-compliance to regulatory requirements.

The Proposed Operating Budget and Work Programme

FRA has a planned work programme \$348m for 2021 / 2022. The value of work for each activity area is shown in Table 8. (More detailed breakdown is shown in Table 12.)

Table 8 – Summary of 2021 / 2022 Work Programme

Activity Area	Loan VIP (\$)	Local VIP (\$)	Total VIP (\$)
Operations			
FRA management and operations	-	12,559,734	12,559,734
Sub-Total	-	12,559,734	12,559,734
Work Programme			
Maintenance	-	72,868,091	72,868,091
Renewals – Roads and Services	-	50,000,000	50,000,000
Renewals – Bridges	-	34,023,694	34,023,694
Renewals – Jetties	-	824,394	824,394
New Capital (Access)	-	15,979,276	15,979,276
New Capital (Community)	-	928,281	928,281
New Capital (Congestion)	-	173,811	173,811
New Capital (Tourism)	-	15,000,000	15,000,000
TIISP - Loan	70,000,000	-	70,000,000
Sub-total	70,000,000	189,797,547	259,797,547
Total	\$70,000,000	\$202,357,281	\$272,357,281

Table 9 – 2021 / 2022 Funding Sources:

Funding	VIP
Source	
Local Seg 6	\$12,559,733
Local Seg 10	\$189,797,548
Loan (ADB/WB TIISP)	\$70,000,000
Budget available for 2021/2022 work	\$272,357,281

Table 10 – 2021 / 2022 FRA Operating Budget:

FRA Management and Operating Budget	VEP (\$)	VAT (\$)	VIP (\$)
Salaries	9,142,173	-	9,142,173
Recruitment	5,000	450	5,450
Accounting & Finance	30,000	2,700	32,700
Vehicle Hire & Operation	700,000	63,000	763,000
Office Expenses	300,000	27,000	327,000
Rent	308,441	27,760	336,201
Legal Fees	100,000	9,000	109,000
Insurances	110,622	9,956	120,578
Communications (including website)	500,000	45,000	545,000
Data and IT Improvements	603,163	54,285	657,448
Training & Development	30,000	2,700	32,700
Establishment Costs	50,000	4,500	54,500
Travel and Accommodation	84,000	7,560	91,560
Director's Fees	11,500	-	11,500
Board's Expenses	3,600	324	3,924
Professional Fees	300,000	27,000	327,000
Total	\$12,278,499	281,235	\$12,559,734

Table 11 – Detail of 2021 / 2022 Work Programme

Project Name	Loan VIP (\$)	Local VIP \$0	Total VIP (\$)
Maintenance			
Road / Corridor Maintenance			
❖ Pothole Preventative Measure		12,500,000	12,500,000
❖ Footpaths		4,700,000	4,700,000
❖ Traffic Services (Signs, Railings, Lining, etc.)		5,300,000	5,300,000
❖ Unsealed		13,400,000	13,400,000
❖ Drainage		4,250,000	4,250,000
❖ Vegetation Control		3,150,000	3,150,000
Street - Lights Maintenance			
❖ Electricity		2,020,000	2,020,000
❖ Electrical Maintenance (Street Light / Traffic Light)		3,950,000	3,950,000
Structures Maintenance			
Bridges			
❖ Bridge Maintenance		4,030,000	4,030,000
Crossings			
❖ Crossings Maintenance		4,300,000	4,300,000
Jetties			
❖ Jetties Maintenance		3,400,000	3,400,000
Overhead		11,868,091	11,868,091
Sub-total		72,868,091	72,868,091

Renewals – Roads and Services			
Sealed Road Rehabilitation			
❖ Pothole Preventive Program (Rip and Remake)		40,000,000	40,000,000
Unsealed Renewal			
❖ Unsealed Road Rehabilitation Program		10,000,000	10,000,000
Street - Lights Renewals			
Sub-total		50,000,000	50,000,000
Renewals - Bridges			
Bridge Renewals			
❖ Bulu Bridge 19/11		669,313	669,313
❖ Korovou Bridge 19/11		260,289	260,289
❖ Tavualevu Bridge 19/11		1,159,506	1,159,506
❖ Velovelo Bridge 19/11		712,063	712,063
❖ Matewale Bridge 19/11		2,158,363	2,158,363
❖ Waidalice Bridge 19/11		5,597,154	5,597,154
❖ Vuniyasi Bridge 19/11		7,963,911	7,963,911
❖ Wainawi Bridge 19/11		6,374,022	6,374,022
❖ Yaqara Bridge 19/11		5,482,998	5,482,998
Modular Bridges			
❖ Construction of Waidra Bridge in Baulevu FRA 20/01		3,182,800	3,182,800
Crossing Renewals			
❖ FRA 17/125 Low Level Crossing Package 3 - Nayarabale 3 Crossing / Waibula Crossing / Taqaniwaqa Crossing / Naviavia Crossing		463,275	463,275
Sub-total		34,023,694	34,023,694
Renewals - Jetties			
❖ Jetty (6) Investigation & Design Koro, Makogai, Moala, Nabukeru, Lomaloma, Vunisea 2		824,394	824,394
Sub-total		824,394	824,394
New Capital (Access)			
Rural Unsealed Roads			
Eastern:			
❖ Vunisei - Vacalea (Kadavu) (FRA18/01)		1,382,482	1,382,482
Western:			
❖ FRA18/07 Veidrala Access Road		2,957,721	2,957,721
❖ FRA 18/57A - Nakor-Navitilevu		5,219,729	5,219,729
❖ FRA 18/57 B - Vagadra		5,283,518	5,283,518
Central:			
❖ FRA 16/96 Wainivesi & Wainivillimi		1,135,826	1,135,826
Sub-total		15,979,276	15,979,276
New Capital (Community)			
Road Upgrades			
❖ FRA19/06 Vuci Rd Drainage Upgrade for Safety Footpath and Bus Bays		392,400	392,400
Street - Lights / Traffic Signals			
❖ Civil and Electrical Works for the Installation of Streetlights in Labasa and Savusavu FRA 19/20		535,881	535,881
Sub-total		928,281	928,281
New Capital (Congestion)			
❖ FRA 19/35 Feasibility Study & Detailed Design of Labasa Bypass Stage 1 & 2		173,811	173,811
Sub-total		173,811	173,811

New Capital (Tourism)			
Road Corridor Improvement			
❖ FRA 18/38 Queen Elizabeth Drive		15,000,000	15,000,000
Sub-total		15,000,000	15,000,000
TIISP			
Sealed Road Rehabilitation			
Kings Road Rehabilitation			
FRA 19/19A Section 1 to 14 (Ba to Rakiraki) (KRUP A)	10,883,284		10,883,284
FRA 19/19B Section 15 (Walotua to Dama) (KRUP B)	17,247,564		17,247,564
❖ FRA 19/03 Kings Road Construction Supervision Consultant	1,750,982		1,750,982
FRA 20/14B Queens Road Rehabilitation (Lami to Korotogo)	21,507,323		21,507,323
❖ FRA 19/54 Queens Road Construction Supervision Consultant	1,375,000		1,375,000
FRA 20/02C Suva Arterial Roads Upgrade Project II (Foster Road)	10,013,847		10,013,847
FRA 16/03 Sealed Road Surfacing (Seals, Asphalt, Reseals)	2,222,000		2,222,000
Sub-total	65,000,000	0	65,000,000
Renewals - Bridges & Crossings			
❖ FRA 20/13 Critical Bridge Design & Due Diligence	5,000,000		5,000,000
Sub-total	5,000,000	0	5,000,000
Total TIISP	70,000,000	0	70,000,000
Total CAPEX	\$ -	\$ 189,797,547	\$ 189,797,547
Total OPEX	\$ -	\$ 12,559,734	\$ 12,559,734
Total TIISP	\$ 70,000,000	\$ -	\$ 70,000,000
GRAND TOTAL	\$ 70,000,000	\$ 202,357,281	\$ 272,357,281



Namata Village Access Road officially opened by the Honorable Prime Minister of Fiji Mr. Voreqe Bainimarama

Levels of Service Performance Measures and Targets

At the FRA we take our accountability and obligations very seriously.

We are committed to:

- ❖ the belief that the first fundamental of all successful organisations is to have a good business plan against which actual performance is routinely monitored and reported throughout the year and not just after the year end; and
- ❖ Ensuring that prompt action is taken whenever the results are not as they should be.

The CEO will report performance results to the Board at regular meetings and Comprehensively in the Annual report.

In the following pages, we have set out the headline Level of Service and Performance Indicators, which we will be using to track progress.



Busses are now providing service to the Village, which was previously not possible



2021 / 2022 SPECIFIC PERFORMANCE TARGETS

Governance

1. All required reports including the corporate plan and annual report, FRA will comply with the legislative requirements;
2. Resolve outstanding issues relating to the Municipal Councils' contributions and delegated functions;
3. Implement the final re-organisation plan for FRA's management and ensure a smooth transition to meet the organisation current and future needs;
4. Develop capacity, capability and an effective succession planning mechanism at all levels of the organisation;
5. Ensure an Annual Internal Audit and Assurance Plan is in place that is approved by FRA's board and Executive Management and delivery of scheduled activities are in line with the plan;
6. Timely response to the issues raised in the Auditor General's (OAG's) audit report;
7. Ensure FRA has an Action Plan Register in place to track and close issues raised in either internal or external audits;
8. Ensure FRA's Risk Management Framework and Internal Audit Charter is aligned to International Best Practice and are subject to ongoing changes to meet International Standards;
9. Review standard operating procedures annually; and
10. Update Strategic Plan
2. Improve level of service;
3. Preserve existing infrastructure;
4. Plan for new projects by adopting set of technical standards and specifications appropriate to Fiji and where necessary local conditions;
5. Planning for information technology infrastructure;
6. Continue to stress to the Government the urgent need to address the serious damage being done to the roads and bridges by overweight vehicles; and
7. Develop an integrated programme planning process that incorporates a whole of government approach to short, medium and long-term transport infrastructure planning.

Financial

1. Implement a more 'user friendly' system of reporting expenditure against budget; and
2. Continue to drive programme delivery to budget with a variance of not more than "plus" or "minus" 5 percent.

General Management

1. Instil an outcome driven culture within the Authority;
2. Update the Asset Management Plan;
3. Ensure effective processes are in place enabling the reporting of actual performance against the performance measures and targets listed in both the Corporate Plan and in the Asset Management Plan.

Technical

1. Complete all on-going projects and successful close out;

Financial Statement

COST OF SERVICE STATEMENT

Table 12 – Statement of Cost of Service

Item	2021/2022 Budget \$000's	2022/2023 Forecast \$000's ²	2023/2024 Forecast \$000's ²
Operating Expenditure			
FRA MANAGEMENT	\$11,523	\$12,099	\$12,704
MAINTENANCE - ROADS, BRIDGES AND JETTIES	\$66,851	\$70,194	\$73,704
EMERGENCY WORKS	\$0	\$0	\$0
DEPRECIATION		\$80,000	\$90,000
Total Operating Costs (VEP)	\$78,374	\$162,293	\$176,408
Capital Expenditure			
RENEWALS - ROADS AND SERVICES	\$45,872	\$48,165	\$50,573
RENEWALS - BRIDGES	\$31,214	\$32,775	\$34,414
RENEWALS - JETTIES	\$756	\$794	\$834
Renewals sub-total	\$77,842	\$81,734	\$85,821
NEW CAPITAL (Access)	\$14,660	\$15,979	\$17,417
NEW CAPITAL (Community)	\$852	\$928	\$1,012
NEW CAPITAL (Congestion)	\$159	\$174	\$189
NEW CAPITAL (Tourism)	\$13,761	\$15,000	\$16,350
ADB PROJECTS	\$64,220	\$70,000	\$76,300
New Capital sub-total	\$93,653	\$102,081	\$111,269
Total Capital Expenditure (VEP)	\$171,495	\$183,816	\$197,090
Tax			
VAT	\$22,488	\$30,520	\$32,895
Total Tax Provision	\$22,488	\$30,520	\$32,895
Total Expenditure	\$272,357	\$376,628	\$406,392
Income			
Unfunded depreciation	\$0	\$80,000	\$90,000
Government Grant	\$202,357	\$206,628.40	\$226,392
Loans	\$70,000	\$90,000	\$90,000
Total Income	\$272,357	\$376,628	\$406,392



Notes:

1. The amount that is required for 2022 / 2023 and 2023 / 2024, and the likely consequences if funding at that level is not provided, are identified in the ten-year asset management plan.

CASHFLOWS FORECAST

The FRA receives its funding from two principal sources:

- ❖ **SEG 6** and **SEG 10** Government Grants – quarterly payments; and
- ❖ **TIISP Loans** – drawn down as expenditure is incurred.

In Table 13 we have estimated the quarterly cash flow forecasts for 2021 / 2022. It is not possible to provide an exact forecast of the future cash flow requirements for two principal reasons:

- ❖ Some aspects of roads' maintenance and construction are highly weather dependent. For instance, a severe storm may require an acceleration in expenditure, conversely prolonged wet weather may delay parts of the programme.
- ❖ FRA cannot force its construction contractors to meet an expenditure target each month. Once the contract is let their only obligation is to meet the specified project completion date

Table 13 – Cash-flow Forecast

Activity Area	1st Quarter (\$)	2nd Quarter (\$)	3rd Quarter (\$)	4th Quarter (\$)	Total (VIP) (\$)
Operations and Work Programme					
FRA Management and Operations	3,391,128	3,642,323	3,139,934	2,386,349	12,559,734
Maintenance	19,674,385	21,131,746	18,217,023	13,844,937	72,868,091
Renewals – Roads and Services	13,500,000	14,500,000	12,500,000	9,500,000	50,000,000
Renewals - Bridges	9,186,397	9,866,871	8,505,924	6,464,502	34,023,694
Renewals - Jetties	222,586	239,074	206,099	156,635	824,394
New Capital (Access)	4,314,405	4,633,990	3,994,819	3,036,062	15,979,276
New Capital (Community)	250,636	269,201	232,070	176,373	928,281
New Capital (Congestion)	46,928	50,406	43,453	33,024	173,811
New Capital (Tourism)	4,050,000	4,350,000	3,750,000	2,850,000	15,000,000
TIISP - Loan	13,300,000	17,500,000	18,900,000	20,300,000	70,000,000
Total	\$67,936,465	\$76,183,612	\$69,489,321	\$58,747,883	\$272,357,281
Funding					
Local SEG 6 grant	3,391,128	3,642,323	3,139,934	2,386,349	12,559,734
Local SEG 10 grant	51,245,337	55,041,289	47,449,387	36,061,534	189,797,547
Loan (TIISP)	13,300,000	17,500,000	18,900,000	20,300,000	70,000,000
Total	\$67,936,465	\$76,183,612	\$69,489,321	\$58,747,883	\$272,357,281

The FRA reviews the situation and advises the Ministry of Economy monthly.

Accounting Policies and Other Financial Information

REPORTING ENTITY

The FRA is a corporate body established pursuant to the Fiji Roads Authority Decree 2012 and subsequent amendments (see Appendix A)

The Decree requires us to publish each year:

- ❖ a Corporate Plan;
- ❖ a Statement of Corporate Intent; and
- ❖ an Annual Report.

This document is the FRA's 'Corporate Plan and Statement of Corporate Intent' for the year.

REVENUE

The FRA receives its revenue from two principal sources:

- ❖ Government Grants; and
- ❖ Loans.

VAT

VAT is payable on all FRA expenditure except:

- ❖ FRA payroll;
- ❖ Directors Fees
- ❖ Withholding Tax; and
- ❖ Any other costs exempt under Fiji VAT Decree.

ASSET VALUES

Table 14 – Asset Values

Asset Categories	Replacement Cost (\$)	Depreciated Replacement Cost (\$)	Accumulated Depreciation (\$)	Annual Depreciation (\$)
Property				
Lands	3,188,214,855	3,188,214,855	-	-
Formation	5,596,293,032	5,596,293,032	-	-
Sub Total	8,784,507,887	8,784,507,887	0	0
Asset Categories	Replacement Cost (\$)	Depreciated Replacement Cost (\$)	Accumulated Depreciation (\$)	Annual Depreciation (\$)
Carriageways				
Sealed Pavement Structure	2,213,553,170	1,360,708,888	852,844,282	31,630,092
Unsealed Pavement Structure	485,659,294	279,156,616	206,502,678	23,463,510
Sub Total	2,699,212,464	1,639,865,504	1,059,346,960	55,093,602
Drainage				
Culverts	219,386,907	125,693,444	93,693,463	2,437,671
Gully pits	40,392,520	30,276,062	10,116,458	493,554
Surface Water Channels	133,518,588	50,991,020	82,527,569	1,652,457
Sub Total	393,298,015	206,960,525	186,337,490	4,583,682
Other Road Assets				
Footpaths	90,517,329	62,659,329	27,858,000	1,511,461
Street Lighting	39,576,015	34,970,078	4,605,936	1,174,156
Sub Total	130,093,344	97,629,408	32,463,936	2,685,617
Traffic Controls				
Signs (Inc. Posts)	73,473,982	20,806,579	52,667,402	2,881,908
Traffic Signals	5,782,345	1,761,237	4,021,108	118,192
Sub Total	79,256,327	22,567,816	56,688,510	3,000,100
Bridges				
Bridges	530,067,535	346,271,072	183,796,465	4,877,337
Bailey Bridges	3,032,379	2,958,670	73,708	36,854
Crossings	90,395,525	39,876,828	50,518,697	723,376
Sub Total	623,495,439	389,106,570	234,388,870	5,637,568
Other Structures				
Guard Rails	25,112,762	5,895,895	19,216,867	1,004,510
Bus Shelters	12,493,430	11,787,972	705,460	139,913
Jetties	44,418,700	30,363,767	14,054,933	682,365
Sub Total	82,024,893	48,047,634	33,977,260	1,826,788
Other				
Motor Vehicles	25,112,762	4,891,386	20,221,378	160,208
Plant & Equipment	12,493,430	11,648,057	845,373	122,611
Furniture & Fittings	3,175,777	222,123	2,953,655	699,226
Buildings	44,418,700	29,794,725	14,623,975	119,626
Work in Progress	507,813,741	507,813,741	-	-
Sub Total	593,014,411	554,370,032	38,644,381	1,101,672
Total	\$13,384,902,780	\$11,743,055,377	\$1,641,847,406	\$73,929,029

DEPRECIATION

The forecasted depreciation provision for 2021 / 2022 is \$73m. The increase in forecast, depreciation is due to the

capitalization of 2021 / 2022 Renewals and New Assets

Table 15 – Depreciation Provision 2021 / 2022

Asset Category	Provision 2021 / 2022 (\$)
Roads	
Carriageways	\$ 56,740,849.20
Drainage	\$ 4,782,391.95
Other Road Assets	\$ 1,571,320.80
Traffic Control	\$ 3,118,915.80
Lighting	\$ 1,220,657.55
Sub Total	67,434,135
Structures	
Bridges	\$ 5,860,837.50
Jetties	\$ 709,389.45
Other Structures	\$ 1,189,747.65
Sub Total	7,759,975
Other	
Other Assets	\$ 1,145,302.20
Sub Total	1,145,302
Total	\$76,339,412

Depreciation is provided on a straight-line basis on property, plant and equipment other than land, at rates that will write off the cost ((or valuation) of the assets to their estimated residual values and over

their useful lives. Land is not depreciated. The useful lives and associated depreciation rates of the various classes of assets have been estimated in Table 16.

Table 16 – Assets' Useful Lives

Asset Categories	Replacement Time (years)	Annual Rate
Carriageways		
First Coat seal and Sealed Base Course		
❖ Rural	50	2.0%
❖ Urban	70	1.4%
Sealed Surfaces (reseals)		
❖ Asphaltic Concrete	17	5.9%
❖ Chip Seal	15	6.7%
❖ Concrete	25	4.0%
Sealed Sub-base		
❖ Rural	N/A	
❖ Urban	70	1.4%
Unsealed Pavement Layers		
❖ Wearing Course	5	20.0%
❖ Sub-base	N/A	
Drainage		
Gully pits, culverts and surface water channels	80	1.3%
Footpaths		
❖ Sealed	30	3.3%
❖ Unsealed	40	2.5%
Street Lighting		
❖ Pole and bracket	40	2.5%
❖ Light	20	5.0%
Traffic Controls		
❖ Signs	12	8.3%
❖ Posts and Markers	20	5.0%
❖ Markings	1	100.0%
Signals		
❖ Pole	22	4.5%
❖ Controller	23	4.3%
❖ Board and lantern	12	8.3%
❖ Pedestrian Call Box	15	6.7%
Bridges		
❖ Concrete	120	0.8%
❖ Steel /concrete	110	0.9%
❖ Timber	60	1.7%
❖ Timber/concrete	100	1.0%
❖ Timber Steel	80	1.3%
❖ Bridge culverts	120	0.8%
Other Structures		
❖ Railings	25	4.0%
Jetties		
❖ Concrete Jetty	50	2.0%

Asset Categories	Replacement Time (years)	Annual Rate
❖ Rock seawall	80	1.3%
Causeway		
❖ Formation	N/A	
❖ Sub-base	N/A	
❖ Base course	50	2.0%
❖ Wearing course	5	20.0%
❖ Chip seal	15	6.7%
Other		
❖ Buildings	60	1.7%
❖ Plant	30	3.3%

The depreciation rates are applied at the component level and the depreciation sum is calculated on the remaining useful life of each component. Where the age or condition is unknown it is assumed the

asset is halfway through its useful life. The residual value and useful life of an asset is reviewed, and adjusted if applicable, at each financial year-end.



Work in Progress at the Yaqara Bridge - Western Division



ASSET DISPOSAL POLICY

INTRODUCTION

Under Section 32 (2) (e) of the Fiji Roads Authority Act states the FRA is required to provide and outline of its policies and procedures relating to the disposal of major assets.

The FRA will not in future have any major assets to dispose of. Its assets are essentially the roads, bridges, jetties and associated infrastructure that it has to maintain. Apart from small sections of closed-off road that may become surplus to its requirements, these assets can be expected to remain in FRA ownership in perpetuity.

There are however some assets that it has inherited from the former Department of National Roads. The FRA has a number of depots, workshops, plant and machinery (other than vehicles for our office staff to use) either in use; care and

maintenance; or sub-leased to contractors or third parties. The Board of Directors may approve the disposal of assets.

When pieces of legal road are no longer required, the road designation will be uplifted and the land disposed of in such a manner as the Board, with the approval of the Minister, may decide in each case. Normally this will be to offer the property at market value to the adjoining landowner subject to a condition that it is to be incorporated in an existing title.

However, roads that were compulsorily acquired by the Government for road purposes and are no longer to be used by the FRA must be reverted to Government to be disposed back to the native landowners.

GLOSSARY

ACRONYMS

ADB	Asian Development Bank
AMP	Asset Management Plan
CEO	Chief Executive Officer
DNR	Department of National Roads
EFL	Energy Fiji Limited
FRA	Fiji Roads Authority
FRCS	Fiji Revenue and Customs Services
IP	Intellectual Property
LTA	Land Transport Authority
MSAF	Marine Safety Authority of Fiji
MWH	MWH (New Zealand) Ltd
SCI	Statement of Corporate Intent
TFL	Telecom Fiji Limited
TIISP	Transport Infrastructure Investment Sector Project
VAT	Value Added Tax
VEP	Vat Exclusive Price
VIP	Vat Inclusive Price
WAF	Water Authority of Fiji
WB	World Bank

DEFINITIONS

Accountability	<p>Being obliged to answer for one's actions, to justify what one does.</p> <p>Not to be confused with responsibility. Responsibility involves the obligation to act. Accountability is the obligation to answer for the action.</p>
Annual Budget	The total amount that the FRA is planning to spend on the purchase of goods and services during the year and the purposes for which it is to be spent.
Asset Disposal Policy	<p>an FRA policy that has been prepared pursuant to the requirements of Section 32(1)(e) of the Fiji Road Authority Decree 2012 (No 2) viz:</p> <p><i>'.... the statement of corporate intent shall include....an outline of FRA's policies and procedures relating to the disposal of major assets.'</i></p> <p>See Section 6.8</p>
Asian Development Bank	<p>A regional development bank established in 1966 to facilitate the economic development of countries in Asia.</p> <p>From time to time the bank approves grants or loans to the FRA for road purposes. Currently the FRA is receiving from the ADB loan assistance for both flood damage repairs and new capital development.</p>
Authority	the Fiji Roads Authority
Board	<p>the Fiji Roads Authority's Governing Board.</p> <p>The new Board comprising a Chairman and four members was appointed by the Minister responsible for roads in 2015.</p>
Bridge	A structure designed to carry a road or path over an obstruction such as a river or rail line by spanning it. Includes culverts with a cross-sectional area greater than 3.4m ² .
Capital Works	Includes both Renewal Capital Works and New Capital Works.
Corporate Plan	A plan required to be published by the FRA annually pursuant to Section 31 of The Decree .

The **Corporate Plan** has to include the information listed in **section 31 (3)**.

Decade of Action on Road Safety

Fiji joined the programme in 2011 and agreed a comprehensive set of targets to be achieved by 2020. Those that the FRA is responsible for include the following:

- ❖ 30 black spots improved;
- ❖ 40kms of route action plans in place (e.g. overtaking lanes);
- ❖ 30 village treatments completed;
- ❖ 60 mass action plans;
- ❖ 600km major roads marked and delineated; (and)
- ❖ Traffic Management Plans implemented on 4 major and 6 smaller routes.

In addition, all new projects are to have road safety audits from 2012.

Deferred Maintenance

The cost of work required by the practice of allowing infrastructure to deteriorate by not carrying out required repair and renewal work at the optimum time in the asset lifecycle.

Depots

The 23 depots and 21 sub-depots inherited from the former Department of National Roads.

Some of these depots have since been leased, rented or otherwise disposed of.

Depreciated

The replacement cost of an asset less accumulated

Replacement Cost (or Value)

depreciation to reflect the already consumed or expired future economic benefits of the asset.

Depreciation

The wearing out, consumption or other loss of value of an asset, whether arising from use, the passage of time, or obsolescence through technological and market changes.

EXIM BANK

An 'Export-Import' (**EXIM**) financial institution owned by the Chinese Government.

The Fijian Government receives loan funding assistance for certain major capital road projects from this bank.

Goal

(Not to be confused with 'Objective')

A general statement defining a desired end result or a statement of intent for the direction of the business – usually long-term, not necessarily quantifiable and perhaps not totally obtainable.

The FRA has two principal goals:

- (i) 'To effectively, efficiently and sustainably provide an environmentally friendly land transport network to which people are able to gain easy access and travel on safely, efficiently and comfortably to their destinations; (and)*
- (ii) To halt the deterioration trend and reduce the value of deferred maintenance and deferred renewals.*

Health and Safety Incident

An unplanned event that has resulted in, or has the potential to result in, injury, illness, damage or loss to persons or property. It includes accidents and near misses.

Jetties

The 47 Outer Island public wharves and jetties that the FRA has the responsibility to maintain and renew.

Laboratories

The three permanent and four site (or project) laboratories owned by the FRA that provide testing services for soils, bitumen, concrete, and aggregate and carry out site investigations.

FRA intends to develop its laboratories into a single business unit and either lease or sell them within a short time.

Land Transport

In the context of this plan means the provision and management of a safe, efficient and effective network of roads, bridges and public jetties.

Levels of Service

The defined quality for a particular service against which service performance can be measured.

Service levels usually relate to quality, quantity, timeliness, reliability, responsiveness, environmental acceptability and cost.

Road agencies like the FRA typically defines level of service in terms of roads' reliability (how assured an intending user can be that he will be able to get to his destination within a given time no matter what day of the week it is, what time of day it is, or what the weather), convenience, and comfort of travel; how safe the roads and footpaths are to travel or walk on; and cost. The FRA's adopted levels of service are in Section 4 of this

Corporate Plan.

Maintenance

The actions required to enable an asset to achieve its expected life.

Maintenance work can be planned or unplanned. Planned maintenance includes measures to prevent known failure modes and can be time or condition-based. Repairs are a form of unplanned maintenance to restore an asset to its previous condition after failure or damage.

Includes all of the actions necessary for retaining an asset as near as practicable to its original condition but excludes Renewals.

Examples: Pothole repairs. Replacing a broken deck on a bridge. Applying protective paint. Removing vegetation to improve driver vision. Reinstating road markings. Cleaning and clearing roadside drains and unblocking culverts. Cleaning and repairing road signs.

Mission

The reason why the organisation exists.

The FRA's mission is ***'to provide a better land transport network for Fiji'***.

Municipal Councils

The town and city councils.

There are thirteen municipal councils:

- ❖ Ba Town Council
- ❖ Labasa Town Council
- ❖ Lami Town Council
- ❖ Lautoka City Council
- ❖ Levuka Town Council
- ❖ Nadi Town Council
- ❖ Nasinu Town Council
- ❖ Nausori Town Council
- ❖ Rakiraki Town Council
- ❖ Savusavu Town Council
- ❖ Sigatoka Town Council
- ❖ Suva City Council
- ❖ Tavua Town Council

New Capital

Expenditure that is used to create new assets, or to increase

the capacity of existing assets beyond their original design capacity or service potential.

Examples: A new bridge. The work done to realign, widen and seal an existing unsealed road.

Objective

(Not to be confused with Goal)

A measurable target that describes the end results that a service or programme is expected to accomplish within a given time period. Objectives flow from, are components of, and lead the FRA towards the achievement of its goals.

Every objective should be:

- ❖ linked to a goal;
- ❖ realistic;
- ❖ action orientated;
- ❖ concise;
- ❖ attainable;
- ❖ measurable;
- ❖ time constrained; and
- ❖ within the control of the FRA.

Example: (Hypothetical) Complete construction of the new Harris Bridge for not more than \$1.63m before 31 March 2017.

Outcomes

(Not to be confused with Outputs)

The actual impact and value of the service delivery

Example: Less deaths because of the safety improvement work that has been done on the roads.

Outputs

(Not to be confused with Outcomes)

The goods and services produced and provided to third parties (i.e. 'service accomplishments').

Examples: The length of the roads resealed or the number of potholes repaired. The number of safety improvements carried out.

Performance Measure

A qualitative or quantitative measure relating to the intended

level of service for a particular service area.

Performance measures are the means by which the FRA is able to identify the extent to which it has been able to achieve its objectives – the means for determining whether the levels of service are actually being achieved. There are three broad elements of performance measures:

- (i) Those that measure service efforts (**inputs**);
- (ii) Those that measure service accomplishments (**outputs and outcomes**); and
- (iii) Those that relate service efforts to service accomplishments (**efficiency and cost outcomes**).

Example: The number of injury and fatal accidents that occur on the roads annually.

Performance Target

The desired level of performance against a performance measure.

A specific quantifiable result (**in relation to a performance measure**) that the FRA is aiming to achieve.

Example: Not more than 300 serious injury accidents and 20 fatal accidents on the roads this year.

Renewals

(**Not to be confused with New Capital**).

The replacement or rehabilitation of an asset.

Expenditure on an existing asset which returns the service potential or the life of the asset to that which it had originally. It is periodically required expenditure, and relatively large (**material**) in value compared with the value of the components or sub-components of the asset being renewed. It may reduce operating and maintenance expenditure if completed at the optimum time.

Example: Resealing or rehabilitating a road – or replacing an existing bridge.

It is very important that the FRA always clearly distinguish between New Capital expenditure and Renewals Capital expenditure.

The rate at which renewal work is being carried out over time compared with the annual provision for depreciation (**the cost of consumption**) is a good indicator of the extent to which the network is being maintained, improving, or is deteriorating.

Road (or Roads)

The infrastructure that the FRA is responsible for providing, managing, maintaining, renewing and developing.

It includes all land and civil infrastructure constructed by any municipal council or government body, or any other body authorized by a municipal council or government body, that is used or facilitates a public right of passage for the movement of vehicles and pedestrians, including but not limited to:

- ❖ the vehicle pavement from kerb to kerb, or where there is no kerb, the roadside verges, drains and kerbs;
- ❖ road signs, road marker posts and other markings, including pedestrian crossings;
- ❖ traffic islands;
- ❖ bridges and culverts;
- ❖ footpaths and pavements adjacent to a vehicle pavement;
- ❖ street lights and traffic signals;
- ❖ parking meters;
- ❖ jetties, and
- ❖ all national roads, municipal roads, and such other public roads as may be determined by FRA.

Source: Fiji Road Authority (Amendment Decree 2012 (No 46) Sec 4

Note the inclusion of jetties within this definition.

Road Network

The network of roads, streets, bridges and footpaths that the FRA has the responsibility to maintain, renew and further develop.

Until the DNR's data can be verified there is some uncertainty about the exact road lengths, but the situation is approximately:

Roadworks Emergency

A situation declared to be the case following a major storm or other adverse event. *(Not to be confused with Civil Defense Emergency)*

During a roadworks emergency the normal procurement requirement don't apply and road materials and other goods may be purchased and plant may be hired to repair the damage *(in a manner and to the extent approved by the CEO).*

Service Area

Those aspects of the roads that motorists and pedestrians' value, or which are essential for their efficient and effective management.

The headings under which the FRA formulates its levels of service, performance measures and targets in order to be able to decide what it has to do, and to be able to subsequently ascertain how well it is doing.

The headings are:

- (i)** Health and Safety;
- (ii)** Risk Management (other than risks that fall under the other six headings; and including Reputation and Safety);
- (iii)** Asset Provision, Preservation, and Development;
- (iv)** Environmental Conservation, Protection and Enhancement;
- (v)** Service Quality (including Aesthetics, Reliability, Responsiveness and Capacity);
- (vi)** Compliance (including Training, Record Keeping and Reporting); and
- (vii)** Costs.

For a fuller explanation of the FRA's levels of service under these headings, see Section 4.

Statement of Corporate Intent (SCI)

A statement required to be prepared annually by the FRA and agreed with the Minister pursuant to section 32 of The Decree. This document is the FRA's combined Corporate Plan and statement of Corporate Intent.

Vested Assets

Assets that are transferred to the FRA's ownership at no cost as a condition of subdivision (or development) approval. Instead of vesting new assets a subdivide or developer may be required to upgrade (e.g. widen) an existing road or be required to pay a sum of money to enable the FRA to fund the cost of mitigating the impact of the subdivision and or development work (or both).

Key FRA Partners

Auditor The Fiji Controller & Auditor General.

Legal Advisor

- ❖ R Patel Lawyers – Suva
- ❖ M C Lawyers – Suva
- ❖ Siwatibau & Sloan – Suva
- ❖ Young & Associates – Lautoka

Insurance Advisor MARSH

Banker The Australia & New Zealand Banking Group Fiji

Professional Engineering Services Provider

- ❖ Erasito Beca
- ❖ ENTEC
- ❖ Forge Momentum
- ❖ NRW McLaren
- ❖ PARTICIPATE
- ❖ FMC Pacific Limited
- ❖ Mosrison Law

Key Contractors

- ❖ Fletcher Building Fiji Limited t/a Higgins
- ❖ Fairdeal Earthmoving Contractors Ltd
- ❖ RPA Group (Fiji) Pte Limited
- ❖ China Rail – 14th Group
- ❖ China Rail – 5th Group

Central Government

- ❖ Ministry of Infrastructure & Metrological Services
- ❖ Office of the Prime Minister
- ❖ Ministry of Economy
- ❖ Ministry of Rural & Maritime Development
- ❖ Ministry of Lands & Mineral Resources
- ❖ Ministry of Local Government, Housing and Community Development
- ❖ Ministry of Waterways & Environment
- ❖ Department of Town & Country Planning
- ❖ Land Transport Authority of Fiji
- ❖ Fiji Police Force

Local Government

- ❖ Ba Town Council
- ❖ Labasa Town Council
- ❖ Lami Town Council
- ❖ Lautoka City Council
- ❖ Levuka Town Council
- ❖ Nadi Town Council
- ❖ Nasinu Town Council
- ❖ Nausori Town Council
- ❖ Rakiraki Town Council
- ❖ Savusavu Town Council
- ❖ Sigatoka Town Council
- ❖ Suva City Council

Others

- ❖ Tavua Town Council
- ❖ The Bus Owners and Operators Association

Utilities and other Agencies

- ❖ LTA
- ❖ EFL
- ❖ WAF
- ❖ TFL
- ❖ MSAF



Work in Progress at the Velovelo Bridge - Western Division

APPENDIX A – FRA ACT AND AMENDMENTS

- ❖ Fiji Roads Authority Act 2012
- ❖ Fiji Roads Authority (Amendment) Act 2012 (No. 46 of 2012)
- ❖ Fiji Roads Authority (Amendment) Act 2014 (No. 27 of 2014)
- ❖ Fiji Roads Authority (Amendment) Act 2015 (No. 5 of 2015)
- ❖ Public Enterprises Act 2019 (No. 6 of 2019)



Waidamu Bridge post completion before opening to traffic

Fiji Roads Authority

CONTENTS

Page

Principal

Fiji Roads Authority Act 2012 (No 2 of 2012)

Table of Provisions	255,021
Table of Amendments	255,101
Fiji Roads Authority Act 2012	255,201

Fiji Roads Authority Act 2012

TABLE OF PROVISIONS

<i>Section</i>	<i>Title</i>	<i>Paragraph</i>
PART 1 — PRELIMINARY		
1	Short title and commencement	[FRA 1]
2	Interpretation	[FRA 2]
3	Objectives of this Act	[FRA 3]
PART 2 — ESTABLISHMENT, FUNCTIONS AND POWERS		
4	Establishment of the Authority	[FRA 4]
5	Composition of the Authority	[FRA 5]
6	Functions of the Authority	[FRA 6]
7	Powers of the Authority	[FRA 7]
8	Delegation of powers	[FRA 8]
9	Resignation and removal	[FRA 9]
10	Vacation of office	[FRA 10]
11	Meetings and proceedings of the Authority	[FRA 11]
12	Authority may invite others to meetings	[FRA 12]
13	Disclosure of interest	[FRA 13]
14	Minutes	[FRA 14]
15	Common seal	[FRA 15]
16	Procurement process and plan	[FRA 16]
17	Minister may give directions	[FRA 17]
PART 3 — TRANSFER AND ACQUISITIONS OF ASSETS AND LIABILITIES		
18	Transfer of assets, interests and liabilities	[FRA 18]
19	Transfer of employees	[FRA 19]
20	Rights of transferred employees	[FRA 20]
21	Existing contracts	[FRA 21]
22	Continuation of proceedings	[FRA 22]
23	No benefit in respect of abolition or reorganisation of office	[FRA 23]
PART 4 — MANAGEMENT AND FINANCE OF AUTHORITY		
24	Appointment of Chief Executive Officer	[FRA 24]
25	Functions of the Chief Executive Officer	[FRA 25]
26	Appointment of staff	[FRA 26]
27	Funds of the Authority	[FRA 27]

<i>Section</i>	<i>Title</i>	<i>Paragraph</i>
PART 5 — REPORTING AND ACCOUNTABILITY		
28	Financial year	[FRA 28]
29	Half yearly reports [<i>Repealed</i>]	[FRA 29]
30	Annual reports	[FRA 30]
31	Corporate plan	[FRA 31]
32	Authority to have statement of corporate intent	[FRA 32]
33	Audit	[FRA 33]
PART 6 — TRANSITIONAL AND SAVINGS		
34	Establishment of the Fiji Roads Advisory Committee	[FRA 34]
35	Meetings and proceedings	[FRA 35]
36	Committee may invite others to meetings	[FRA 36]
37	Appointment of Change Manager [<i>Repealed</i>]	[FRA 37]
PART 7 — MISCELLANEOUS		
38	Regulations	[FRA 38]
38A	Indemnity	[FRA 38A]
39	Consequential	[FRA 39]

Fiji Roads Authority Act 2012

TABLE OF AMENDMENTS

Fiji Roads Authority Act 2012 (No 2 of 2012)¹ commenced on 5 January 2012, as amended by:

Amending Legislation	Date of Commencement
Fiji Road Authority (Amendment) Decree 2012 (No 46 of 2012)	14 May 2012
Fiji Roads Authority (Amendment) Decree 2014 (No 27 of 2014)	5 August 2014
Fiji Roads Authority (Amendment) Act 2015 (No 5 of 2015)	17 July 2015
Public Enterprises Act 2019 (No 6 of 2019)	19 July 2019

¹ This was promulgated as Decree 2 of 2012. In accordance with section 3 of the Interpretation Act 1967, the word "Decree" used with reference to any such "Decree" in the title or provisions of any written law or in any document or legal proceeding may be replaced with the word "Act".

AN ACT TO ESTABLISH THE FIJI ROADS AUTHORITY AND TO PROVIDE FOR ITS FUNCTIONS AND POWERS FOR THE PURPOSE OF MANAGING ROADS, AND FOR RELATED MATTERS.

[Long title am Decree 46 of 2012 s 2, opn 14 May 2012]

PART 1 — PRELIMINARY

[FRA 1] Short title and commencement

1 This Act may be cited as the Fiji Roads Authority Act 2012 and shall come into force on the date of its publication in the Gazette.

[s 1 am Decree 46 of 2012 s 2, opn 14 May 2012]

[FRA 2] Interpretation

2 In this Act, unless the context others requires—

Authority means the Fiji Roads Authority established under section 4;

[def am Decree 46 of 2012 s 2, opn 14 May 2012]

Change Manager

[def rep Decree 27 of 2014 s 2, opn 5 Aug 2014]

Chief Executive Officer means the person appointed under section 24 and includes the person acting in that office;

Committee means the Fiji Roads Advisory Committee established under section 34 of this Act;

[def am Decree 46 of 2012 s 3, opn 14 May 2012]

Department means the Department of National Roads;

Minister means the Minister responsible for the Fiji Roads Authority; and

[def subst Decree 27 of 2014 s 2, opn 5 Aug 2014; am Act 5 of 2015 s 2, opn 17 July 2015]

road or **roads** means all land and civil infrastructure constructed by any municipal council or Government body, or any other body authorised by a municipal council or Government body that is used as or facilitates a public right of passage for the movement of vehicles and pedestrians, including but not limited to—

- (a) the vehicle pavement from curb to curb, or where there is no curb, the roadside verges, drains and curbs;
- (b) road signs, road marker posts and other markings, including pedestrian crossings;
- (c) traffic islands;
- (d) bridges and culverts;
- (e) footpaths and pavements adjacent to a vehicle pavement;
- (f) street lights and traffic lights;
- (h) parking meters;
- (i) jetties; and
- (j) all national roads, municipal roads and such other public roads as may be determined by the Authority.

[def subst Decree 46 of 2012 s 4, opn 14 May 2012]

[FRA 3] Objectives of this Act

3 The principal objectives of this Act are to—

- (a) give effect to the reorganisation of the Department of National Roads; and

- (b) make provision for the effective management and administration of the road systems.

PART 2 — ESTABLISHMENT, FUNCTIONS AND POWERS

[FRA 4] Establishment of the Authority

4 This section establishes the Fiji Roads Authority, as a corporate body with perpetual succession and a common seal, and the Authority may—

- (a) sue and be sued;
- (b) acquire, hold and dispose of property;
- (c) enter into contract, agreement or other transactions; and
- (d) do all other acts that may be done in law by a body corporate.

[s 4 am Decree 46 of 2012 s 2, opn 14 May 2012]

[FRA 5] Composition of the Authority

5 (1) The Authority shall consist of 5 members appointed by the Minister responsible for public enterprises in writing subject to the approval of the Prime Minister.

[subs (1) subst Act 6 of 2019 s 69 and Sch 2, opn 19 July 2019]

(1A) The Minister responsible for public enterprises shall appoint a member of the Authority as Chairperson.

[subs (1A) insrt Act 6 of 2019 s 69 and Sch 2, opn 19 July 2019]

(2) The Chairperson and the other members of the Authority shall hold office for 3 years and are eligible for reappointment.

(2A) The Chief Executive Officer shall be an *ex officio* member of the Authority with no voting rights.

[subs (2A) insrt Act 5 of 2015 s 3, opn 17 July 2015]

(3) The Chairperson and members may be remunerated in a manner and at rates subject to terms and conditions determined by the Minister responsible for public enterprises.

[subs (3) am Act 6 of 2019 s 69 and Sch 2, opn 19 July 2019]

[FRA 6] Functions of the Authority

6 The Authority shall be responsible for all matters pertaining to construction, maintenance and development of roads in Fiji, including but not limited to the following—

- (a) managing (land provision, network planning, designing, constructing, maintaining, renewing and generally managing the use of) all roads;
- (b) traffic management (including road design, traffic signs and markings);
- (c) road safety (relating to provision and management of the road);
- (d) [Repealed]
- (e) the issuing of over-width, height and lengths limits;
- (f) planning and management of road survey and design;
- (g) provide advice, programme management services, design, supervision services for capital works programme; and
- (h) for such other matters, as the Minister may direct.

[s 6 am Decree 46 of 2012 s 5, opn 14 May 2012; Decree 27 of 2014 s 3, opn 5 Aug 2014]

[FRA 7] Powers of the Authority

7 The Authority shall have all such powers as may be reasonably necessary or convenient for the purpose of carrying out its functions under this Act and regulating its own procedure, including the power to determine and levy fees and charges, and to make and enforce by-laws.

[FRA 8] Delegation of powers

8 (1) The Authority may from time to time, by writing under the hand of the Chairperson, delegate to any person or committee any of the Authority's powers under this Act.

(2) A delegation under this section may be made to a specified person or committee or to the holder for the time being of a specified office or to the holders of a specified class.

(3) A delegation may be made subject to such restrictions and conditions as the Authority thinks fit, and may be made either generally or in relation to any particular case or class of cases.

(4) Any person or committee purporting to exercise any power of the Authority by virtue of a delegation under this section shall, when required to do so, produce evidence of his or her or its authority to exercise the power.

[FRA 9] Resignation and removal

9 (1) A member of the Authority may resign by giving written notice to the Minister responsible for public enterprises.

(2) The Minister responsible for public enterprises may, subject to the approval of the Prime Minister, at any time and for any reason, remove a member of the Authority by giving that member written notice of removal.

[s 9 subst Act 6 of 2019 s 69 and Sch 2, opn 19 July 2019]

[FRA 10] Vacation of office

10 (1) The office of a member shall become vacant if the member—

- (a) has been absent, without leave of the Authority, from 3 consecutive meetings of the Authority;
- (b) become or has, in Fiji or elsewhere, been declared bankrupt and has not been discharged;
- (c) has, in Fiji or elsewhere, been convicted of an offence that carries an imprisonment term of more than one year; or
- (d) has, in Fiji or elsewhere, been disqualified or suspended from practising his or her profession by any competent authority by reason of misconduct.

(2) The Authority may act notwithstanding a vacancy in its membership.

[FRA 11] Meetings and proceedings of the Authority

11 (1) The Chairperson shall preside at all meetings of the Authority, and if the Chairperson is not present at a meeting then the members present may for that particular meeting choose a member to preside as the Acting Chairperson in the absence of the Chairperson.

(2) At a meeting, 3 members shall form a quorum.

(3) Any issues raised or to be decided shall be decided by a majority of the votes of the members present and voting, and in the event of equality of votes, the Chairperson, or in his or her absence, the member presiding shall have a casting vote.

(4) The validity of any proceedings of the Authority shall not be affected by any vacancy amongst its members or by any defect in the appointment of any member.

(5) The Authority shall have a minimum of one meeting in each month.

[subs (5) insrt Act 5 of 2015 s 4, opn 17 July 2015]

[FRA 12] Authority may invite others to meetings

12 The Authority may invite a person to attend a meeting of the Authority for the purpose of advising it on any matter under discussion, but the person so attending shall have no vote at the meeting.

[FRA 13] Disclosure of interest

13 (1) A member of the Authority who is, directly or indirectly, interested in a matter under discussion by the Authority shall disclose to the Authority the fact and nature of his or her interest.

(2) A disclosure under subsection (1) shall be recorded in the minutes of the Authority.

(3) After a disclosure under subsection (1) the member in question—

(a) shall not take part in nor be present during any discussion, deliberation or decision of the Authority; but

(b) may be counted for the purpose of forming a quorum of the Authority.

(4) A member who fails to disclose his or her interest as required by subsection (1) commits an offence and shall be liable upon conviction to a fine not exceeding \$10,000 and to imprisonment of 5 years or to both.

[FRA 14] Minutes

14 (1) The Authority shall keep minutes of all meetings in a proper form.

(2) Any minutes, if duly signed by the Chairperson or person presiding, shall, in any legal proceedings, be admissible as evidence of the facts stated in them and a meeting of the Authority in respect of which the minutes have been so signed is deemed to have been duly convened and held and the members present at it to have been duly appointed to act.

[FRA 15] Common seal

15 (1) The Authority shall have a common seal of such design as it may decide.

(2) The common seal shall be kept by the Chairperson and its affixing shall be authenticated by any 2 members generally or specifically authorised by the Authority for the purpose, or by one such member and the Chairperson.

(3) All deeds, documents and other instruments purporting to be sealed with the common seal and authenticated in accordance with subsection (2) shall, unless the contrary is proved, be presumed to have been validly executed.

(4) The common seal of the Authority shall be officially and judicially noticed for all purposes.

[FRA 16] Procurement process and plan

16 (1) The Authority shall establish and implement a procurement process and plan for the procurement of all goods and services by the Authority.

(2) All goods and services procured by the Authority shall be in accordance with the procurement process and plan established by the Authority under subsection (1).

(3) The provisions of the Procurement Regulations 2010 shall not apply to the Authority.

[FRA 17] Minister may give directions

17 The Minister may, in his or her discretion, give directions to the Authority with

respect to the performance of the functions of the Authority, and the Authority shall comply with any such directions issued by the Minister.

[s 17 subst Decree 46 of 2012 s 6, opn 14 May 2012]

[FRA 18] Transfer of assets, interests and liabilities

18 (1) As from the commencement of this Act, all assets, interests, rights, privileges, liabilities and obligations of—

(a) the State in relation to the Department; and

(b) municipal councils in relation to municipal roads,

shall immediately be transferred to and shall vest in the Authority without conveyance, assignment or transfer.

(2) Every right and liability vested in subsection (1) in the Authority may, on and after the commencement of this Act, be sued on, recovered or enforced by or against the Authority in its own name and it shall not be necessary for the Authority, the State or any municipal council to give notice to any person whose right or liability is affected by the vesting.

(3) On and after the commencement of this Act, any agreement relating to any property, rights or liabilities transferred to and vested in the Authority under subsection (1) to which the State or any municipal council was a party immediately before the commencement of this Act, whether in writing or otherwise, and whether or not of such a nature those rights and liabilities may be assigned by the State or any municipal council, shall have effect as if the Authority had been a party to the agreement.

(4) If a question arises as to whether any particular property, asset, interest, right, privilege, liability or obligation has been transferred to or vested in the Authority under subsection (1), a certificate signed by the Minister shall be conclusive evidence that the property, asset, interest, right, privilege, liability or obligation was or was not so transferred or vested.

[s 18 subst Decree 46 of 2012 s 7, opn 14 May 2012]

[FRA 19] Transfer of employees

19 (1) As from the commencement of this Act, all persons employed immediately before that date in the Department shall be transferred to the Authority.

(2) Until such time as terms and conditions, including rules as to the conduct and discipline of its employees are drawn up by the Authority, the terms and conditions of employees shall continue to apply to every person transferred under subsection (1).

[FRA 20] Rights of transferred employees

20 For the purposes of every enactment, law, award, determination, contract and agreement relating to the employment of a transferred employee, the contract of employment of that employee is deemed to have been unbroken and the period of employment is for all purposes deemed to have been a period with the Authority.

[FRA 21] Existing contracts

21 All deeds, bonds, agreements, instruments and arrangements to which the Department is a party subsisting immediately before the commencement of this Act shall continue in force after that date and shall be enforceable by or against the Authority as if the Authority had been named therein or had been a party thereto instead of the Department.

[FRA 22] Continuation of proceedings

22 Any action, arbitration, proceedings or cause of action that relates to a transferred asset, liability or employee and that immediately before the commencement of this Act is pending or existing by, against, or in favour of the Department, or to which the Department is a party, may be prosecuted and, without amendment of any writ, pleading or other documents, continued and enforced against, or in favour of the Authority.

[FRA 23] No benefit in respect of abolition or reorganisation of office

23 A person who is transferred to the Authority is not entitled to claim any benefit on the ground that he or she has been retired from the Department on account of abolition or reorganisation of office in consequence of the establishment and incorporation of the Authority.

PART 4 — MANAGEMENT AND FINANCE OF AUTHORITY**[FRA 24] Appointment of Chief Executive Officer**

24 (1) The Authority may appoint a suitably qualified person as the Chief Executive Officer of the Authority, in accordance with terms and conditions the Authority may approve.

[subs (1) am Decree 27 of 2014 s 4, opn 5 Aug 2014]

(2) The Chief Executive Officer may be appointed for a term not exceeding 3 years and is eligible for reappointment.

(3) [subs (3) rep Decree 27 of 2014, opn 5 Aug 2014]

[FRA 25] Functions of the Chief Executive Officer

25 (1) The Chief Executive Officer shall be responsible to the Authority for the management of the Authority.

(2) The Chief Executive Officer shall attend every meeting of the Authority, and if he or she, for any reason, is unable to attend a meeting, the Chief Executive Officer may, in consultation with the Chairperson, nominate an officer to attend on his or her behalf.

(3) The Chief Executive Officer shall not engage in any other business without the prior consent of the Authority.

[FRA 26] Appointment of staff

26 (1) The Authority shall appoint such officer, servants or agents as it considers necessary for the efficient exercise, performance and discharge of its duties.

(2) The officers appointed under this section shall be remunerated in a manner, and at rates subject to terms and conditions determined by the Authority.

[subs (2) am Decree 27 of 2014 s 5, opn 5 Aug 2014]

[FRA 27] Funds of the Authority

27 The funds of the Authority for the purposes of this Act shall consist of—

- (a) any money appropriated by Government;
- (b) rates, fees and other charges received by or on behalf of the Authority by virtue of this Act; and
- (c) any other money received by or on behalf of the Authority.

PART 5 — REPORTING AND ACCOUNTABILITY

[FRA 28] Financial year

28 The Authority's financial year shall be from 1 January to 31 December of each year.

[FRA 29] Half yearly reports

29 [s 29 rep Act 6 of 2019 s 69 and Sch 2, opn 19 July 2019]

[FRA 30] Annual reports

30 (1) Within 4 months after the end of each financial year, the Authority shall in accordance with its statement of corporate intent prepare a report of its activities during that financial year.

[subs (1) am Decree 27 of 2014 s 6, opn 5 Aug 2014]

(2) The Authority shall send a copy of the annual report to the Minister who shall cause it to be laid before Cabinet as soon as practicable.

(3) The annual report required by subsection (1) shall contain, among other things—

- (a) an audited statement of accounts prepared in accordance with generally accepted accounting practice as determined by the Fiji Institute of Accountants;
- (b) a statement of financial performance, including a statement of the financial position of the Authority;
- (c) a statement of cash flows;
- (d) such other information as is required to give a true and fair view of the Authority's financial affairs; and
- (e) a copy of the auditor's report.

(4) The annual report shall include the information required by the Authority's statement of corporate intent to be given in it.

[FRA 31] Corporate plan

31 (1) The Authority shall in each year publish a corporate plan setting out plans for the future operations of the Authority and shall act in accordance with it.

(2) The Minister may issue guidelines as to the format and content of the corporate plan and the Authority shall comply with the guidelines except as otherwise agreed in writing by the Minister.

(3) A corporate plan shall, except as otherwise agreed in writing by the Minister, contain—

- (a) a forecast of profit and loss accounts, balance sheets and cash flows for the current and following 2 financial years; and
- (b) a statement of the assumptions on which the forecasts are based.

(4) The corporate plan shall be consistent with the Authority's statement of corporate intent.

[FRA 32] Authority to have statement of corporate intent

32 (1) The Authority shall, in each year, publish a statement of corporate intent containing a summary of the corporate plan and setting out the financial and non-financial performance targets of the Authority for that year.

(2) In addition to the matters mentioned in subsection (1), the statement of corporate intent shall include—

- (a) an outline of the objectives of the Authority;
- (b) an outline of the nature and scope of the activities proposed to be undertaken by the Authority;
- (c) an outline of the Authority's main undertakings;
- (d) an outline of the borrowings made and proposed to be made by the Authority, and the corresponding sources of funds;
- (e) an outline of the Authority's policies and procedures relating to the acquisition and disposal of major assets;
- (f) a description of the Authority's accounting policies;
- (g) a description of the financial information to be given to the Minister in the annual report;
- (h) a description of measures by which the performance of the Authority may be judged in relation to its objectives, in addition to the performance targets required by subsection (1); and
- (i) such other matters as are agreed by the Minister and the Authority or are directed by the Minister to be included in the statement of corporate intent.

[subs (2) am Act 6 of 2019 s 69 and Sch 2, opn 19 July 2019]

(3) The Minister may, in writing, exempt the Authority from including in its statement of corporate intent any matter, or any aspect of a matter, mentioned in subsection (2).

[FRA 33] Audit

33 (1) The Authority is required to be audited at least once a year.

(2) The audit is to be conducted in accordance with the Audit Act 1969 and the Financial Management Act 2004, except where the audit is conducted by a person appointed by the Authority under subsection (3).

(3) The audit is to be conducted by—

- (a) the Auditor-General or a person authorised or contracted under the Audit Act 1969 to carry it out, unless the Authority is exempted from audit under that Act by the Regulations; or
- (b) a person appointed by the Authority, if the Authority is so exempted from audit under the Audit Act 1969.

(4) The person appointed by the Authority under subsection 3(b) is to be—

- (a) a person that the Minister responsible for finance directs the Authority in writing to appoint; or
- (b) if the Minister responsible for finance gives no such directions, the person chosen by the Authority.

PART 6 — TRANSITIONAL AND SAVINGS

[FRA 34] Establishment of the Fiji Roads Advisory Committee

34 (1) Until such time as the members of the Authority are appointed by the Minister under Part 2, the functions of the Authority shall be performed, and the powers of the Authority shall be exercised, by the Fiji Roads Advisory Committee which shall consist of a Chairperson and 4 other members appointed by the Minister.

[subs (1) am Decree 46 of 2012 s 3, opn 14 May 2012; Decree 27 of 2014 s 7, opn 5 Aug 2014]

(2) The Chairperson and members of the Committee shall hold office until such time as the Authority is appointed.

(3) The Minister may, in his or her discretion, give directions to the Committee with respect to the performance of the functions of the Authority by the Committee, and the Authority shall comply with any such directions issued by the Minister.

[FRA 35] Meetings and proceedings

35 (1) At all meetings, 3 members shall form a quorum.

[subs (1) am Decree 27 of 2014 s 8, opn 5 Aug 2014]

(2) The Chairperson shall preside at all meetings of the Committee.

(3) Any issues raised or to be decided shall be decided by a majority of the votes of the members present and voting, and in the event of equality of votes, the Chairperson, shall have a casting vote.

(4) The validity of any proceedings of the Committee shall not be affected by any vacancy amongst its members or by any defect in the appointment of any member.

[FRA 36] Committee may invite others to meetings

36 The Committee may invite a person to attend a meeting of the Committee for the purpose of advising it on any matter under discussion, but the person so attending shall have no vote at the meeting.

[FRA 37] Appointment of Change Manager

37 [s 37 rep Decree 27 of 2014 s 9, opn 5 Aug 2014]

PART 7 — MISCELLANEOUS

[FRA 38] Regulations

38 The Minister may make regulations to give effect to the provisions of this Act.

[FRA 38A] Indemnity

38A (1) Neither the Committee, the Authority nor any officer, servant, workman or labourer employed or engaged by the Committee, or the Authority shall be liable for any action, suit, proceeding, dispute or challenge in any court, tribunal or any other adjudicating body for or in respect of any act or omission done in the exercise or non-exercise of the powers conferred by or duties prescribed under the provisions of this Act or any other written law.

[subs (1) am Decree 27 of 2014 s 10, opn 5 Aug 2014]

(2) Notwithstanding anything contained in subsection (1), the Minister may on an *ex-gratia* basis grant compensation to any person who has suffered any injury or damage to property, caused either directly or indirectly by any act or omission done in the exercise or non-exercise of the powers conferred by or duties prescribed under the provisions of this Act or any other written law.

[s 38A insrt Decree 46 of 2012 s 8, opn 14 Mar 2012]

[FRA 39] Consequential

39 This Act has effect notwithstanding any provision of any written law, and accordingly, to the extent that there is any inconsistency between this Act and any other written law, this Act prevails.

APPENDIX B – ORGANISATIONAL CHART

