

RESERVE BANK OF FIJI



PRESS RELEASE

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Reserve Bank of Fiji secures Asian Development Bank Technical Assistance for Local Value Adding Content Requirement for the Tourism Industry

The Reserve Bank of Fiji today announced the commencement of the review by an Asian Development Bank (ADB) consultant on the local value added content requirement for a sustainable tourism industry. This will help government to achieve its national economic and development goals. These include; policies relating to import substitution, national food security, promotion of microfinance, small & medium enterprises (SME's), improving links between agriculture sector and tourism industry as well as improving our balance of payment.

RBF Governor, Mr. Sada Reddy said that over the past years, the Reserve Bank has expressed concern that the tourism industry, in particular the hotel/ resorts were under-utilising local resources. As a result, the tourism industry had high levels of imported food and goods, some of which could be supplied domestically. He added that such actions result in the outflow of funds or high leakage from the industry, which cannot be sustained overtime.

The consultancy period for this review is expected to take around eight weeks. Some of the key outcomes of the work will be to identify the key constraints to increased value adding in the economy, including in the agriculture, processing/manufacturing and tourism industries. This includes technical, capacity and funding issues. During the course of the review, the consultant will have close consultation with key stakeholders in these industries in order to ensure their full awareness and commitment in meeting the objectives of the policy to be developed. The consultant will also help develop a mechanism for determining the extent of local value adding and environment protection by the tourism industry that will link to their borrowing capacity from commercial banks.

The RBF is also supporting a number of initiatives for local value adding in the tourism industry. This includes funding a short term attachment for a local Chef from the Training and Productivity of Fiji (TPAF) to undertake specialised training on innovative ways of using local foods such as fruits & vegetables, root crops, meat & poultry and seafood. The award recipient will undertake the training in Malaysia later this month. The Chef will conduct training in Fiji upon returning from Malaysia.

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