

## ICT ASSOCIATION OF FIJI

### Minutes of the ICT Association of Fiji Meeting held on Tuesday 19 June 2007 at 3pm - Quest Kalabu, Unit 5, Kalabu Tax Free Zone

#### PRESENT:

Ms Brigid Johnson	-	Quest Fiji Ltd (Chairperson)
Ms Berny Nicholls	-	Quest Fiji Ltd
Ms Lailun Khan	-	Fiji Islands Trade and Investment Bureau
Mr Prem Prasad	-	Fiji Islands Trade and Investment Bureau
Ms Anshu Mala	-	Fiji Islands Trade and Investment Bureau
Mr Johnson Gani	-	Affiliated Computer (Fiji) Services
Mr Adrian Anthony	-	Affiliated Computer (Fiji) Services
Mr Trilochna Reddy	-	Datec Fiji Ltd
Mr Karunesh Mani	-	Datec Fiji Ltd
Mr Jitoko Tikolevu	-	Fiji Islands Revenue and Customs Authority
Ms Marisa Wiman	-	Greymouse
Mr Semi Tukana	-	Software Factory
Mr Niteshwar Prasad	-	Sublime Pacifica Fiji Ltd
Mr Hendrick De Jong	-	Magnum Productions
Ms Nancy Bakani	-	Micronet Systems (Fiji) Ltd
Mr Nitesh Chandra	-	Oceanic Communications Ltd
Mr John Tevita	-	Oceania Customer Interaction Services
Mr Sidney Simpson	-	Telecom Fiji Ltd
Mr Radrodro Tabualevu	-	Telecom Fiji Ltd
Mr Praneel Anand	-	VT Solutions
Mr Pravin Naikar	-	Link Business Solutions Ltd
Mr Sanjeet A Prasad	-	Link Business Solutions Ltd
Mr John Pollock	-	Unwired Fiji
Mr Hansel Fong	-	Computech

#### 1.0 WELCOME

Ms Brigid Johnson, the Managing Director of Quest Fiji Ltd chaired the meeting and welcomed the invited representatives of Fiji's ICT industry followed by introduction of the participants.

#### 2.0 AMENDMENTS AND ADOPTION OF CONSTITUTION

Ms Berny Nicholls of Quest Fiji Ltd discussed the content of the draft constitution of the ICT Association of Fiji. The draft constitution had been circulated to some of the key players of Fiji's ICT industry for comments a couple of weeks prior to the meeting and input invited. The comments received were compiled and emailed back to industry stakeholders and meeting participants on 13 June 2007 for further discussion during the meeting.

Some of the following comments received on the constitution were highlighted by Ms Nicholls and the participants were given the chance to contribute:

- a. Code of conduct of the members to be included in the ICT Association constitution, that is, a check-list of do's and don'ts of the ICT Association member
- b. Number of representatives to be in the Board of Management to be limited to a small number.
- c. The privileges and voting rights of subsidiary companies over parent companies in the ICT Association of Fiji – only the parent company should be allowed the vote, otherwise extending voting rights to all subsidiary companies can enable the group to influence the Association's objectivity and decisions
- d. Government departments (Category 5) should be excluded from voting rights as they should be treated as regulators/observers and a body whom the private sector would lobby for improved legislations and policies for the sector and, similar treatment be given to the NGOs – not to allow voting rights to influence any decisions of the Association
- e. Associate members – can be anyone or any organisation not holding any stake in Fiji's ICT industry. They would not have any voting rights.
- f. Subscription/levies – slightly higher compared to other business councils/associations to benefit from committed and professional players of the industry and not get members on board having no genuine interest for the Association. In addition, the Association will be a self-funding body; therefore will need funds to carry out industry researches, promotional work, joining international ICT organisations etc
- g. Board of Management – it was agreed by majority of the participants in the meeting to address the head of the Association as 'Chairperson'
- h. It was agreed to 9 people for the Board of Management (a chairperson, 2 deputy chairpersons, a treasurer, a secretary and up to 4 representatives of members of the Association. This excludes the role of the Executive Director in the secretariat. The FTIB agreed to be the secretariat of the ICT Association of Fiji
- i. Honorarium paid to the Chairperson – majority participants agreed to the possibility of it, however a decision was deferred for the ICT committee to consider.
- j. Financial year was agreed to 31 March.
- k. Association website – opportunity was offered to the participants to volunteer to develop a website for the Association.
- l. Secret Ballot was considered as not necessary for the Association
- m. The decision on independent auditing of accounts and taxation aspects, and insurance of the of Association was agreed in principle but deferred to the next ICT committee meeting

- n. Staff Poaching within Association members – cannot be restricted through the Association as it will be an intrusion on individual rights of a person; instead it was suggested that the employers should look after their employees well.
- o. Seal for the Association – was not considered necessary by majority of the participants.
- p. Members of the Association who pay subscription but are not actively involved in any Association activity are not encouraged to be part of the Association at all. Active participation of members will ensure the success of the organisation.
- q. A clause to be included in the Constitution prohibiting the Association from competing in the same or similar revenue generating activities as its members
- r. Persons with decision making authority within their organisation are preferred to be ICT committee members and participants so that decision-making does not take long in the Association for immediate and necessary actions/activities.

To summarise this section, majority of the participants had favourable view for the content of the draft constitution. The Constitution was accepted with modifications mentioned above and recommended that the Association be registered before the end of June.

### **3.0 FOUNDATION MEMBERS SIGN-UP**

The following companies/organisations signed up as members to the Association:

- 1. Datec Fiji Limited
- 2. Fiji Islands Trade and Investment Bureau
- 3. Greymouse
- 4. Link Business Solutions Limited
- 5. Micronet Systems
- 6. Quest Fiji Ltd
- 7. Software Factory
- 8. Sublime Pacifica Fiji Limited
- 9. Telecom Fiji
- 10. Unwired Fiji
- 11. Sublime Pacifica Fiji Ltd
- 12. VT Solutions

#### **4.0 RECOMMENDATIONS FOR INDUSTRY CONCESSIONS & INCENTIVES FOR THE GROWTH – SUBMISSION TO GOVERNMENT BY 30 JUNE 2007**

Participants were requested to send recommendations on the improvement needed to the current ICT incentives/concessions to encourage more investment in the sector that will eventually lead to industry growth. An electronic copy of the current incentives/concessions for Fiji's ICT industry was circulated to the key stakeholders in May 2007.

It was highlighted that a submission on the ICT incentives/concessions will be made by the ICT Association of Fiji to the government before 30 June 2007. Participants were advised to start sending their recommendations to Ms Berny Nicholls who will collate it all in to an Association contribution for the 2008 budget.

Some of the recommendations put forward in the meeting were:

- Offer short-term investment packages to stimulate the industry.
- Concessions/incentives should not be differentiated based on location etc, rather should be standard across the board.
- Offer dual citizenship to migrants as they are familiar with Fiji's overall environment and have interest of the country at heart
- Re-consider employment criteria on incentives/concessions – ICT businesses start off as small and are not able to qualify for the employment requirement to access the incentives/concessions during their initial stage of business which is a discouraging factor for many ICT investors/potential investors to Fiji. The majority of the ICT players employ less than 10 people.

#### **5.0 OTHER ISSUES**

- The view point that the business need projects to enjoy the tax incentives, therefore the private sector needs to work with government to channel more projects/clients to Fiji shores
- The need to set a quality assurance standard for the industry. In addition, to work closely with the training institutes in Fiji to establish performance testing schemes for the industry
- With the industry benchmark, companies will be able to attract wider clientele and therefore enjoy the tax incentives
- Small ICT firms facing lots of difficulties in obtaining visas, work permits, and VAT refunds. It is to be noted that incentives are *not the only* factor that attract more investment to Fiji – it is more than that which includes good supply of labour pool, ease in doing business etc.
- Small players tend to bring specialists to Fiji compared to larger ones – for e.g. a software development company might employ 5 people of specialised skill in web-developing and bring in overseas experts to train locals whereas

a large business like a call-centre may employ 100 people that do not require specialist skills.

- The existing ICT companies in Fiji are experiencing lack of local support in business – locals tend to give business off-shore than to local businesses/suppliers. Perhaps an incentive to encourage local companies to use local suppliers.
- The USP curriculum does not support industry requirements – need to bridge the gap between industry demand of skills in labour-force and the labour supply from educational institutes like USP
- Cost of international communication lines are high which lost business to Asian countries like Philippines, China and Malaysia

## **6.0 INVITED SPEAKERS**

Ms Lailun Khan, CEO of FTIB and Mr Jitoko Tikolevu, Manager Policy, Economic and Research of FIRCA spoke about their organisations' contribution to the development and growth of Fiji's ICT industry. Mrs Khan highlighted on the role of FTIB as an investment facilitator for the ICT industry while Mr Tikolevu outlined the tax incentives/concessions for the industry.

## **7.0 NEXT MEETING**

As there was no further business, the Chair thanked all participants for their attendance and the meeting ended at 4.45pm and advised that the next ICT meeting will take place after 2 weeks.

**The next ICT meeting is scheduled for 2.00pm Tuesday 3 July 2007 at FTIB Board Room, 6<sup>th</sup> Floor Civic Towers, Victoria Parade, Suva.**

***Purpose: To nominate and vote in office bearers.***

***Please send us any other items you want to include in the agenda before 27 June 2007.***

Note: These Minutes were confirmed by Mr Prem Prasad (Manager – KTFZ) of FTIB and Ms Berny Nicholls (Head of Special Initiatives) of Quest Fiji Ltd as a true record of the ICT Association Meeting held on 19 June 2007 at Quest Fiji Ltd.

**Ms Anshu Mala – Fiji Islands Trade and Investment Bureau**  
**SECRETARIAT**