

YOUR GUIDE TO INVESTING IN FIJI



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STEPS TO SETTING UP A BUSINESS IN FIJI

Prior to commencement of a business in Fiji; a foreign investor will be expected to apply and obtain approval from the following agencies:

- Registrar of Companies Office for **Reservation of Company/Business name/s**
- Investment Fiji for **Foreign Investment Registration Certificate**: www.investmentfiji.org.fj
- **Registrar of Companies for Registration of Company/Business Name(s)**: www.egov.gov.fj
- Fiji Revenue & Customs Authority for **Registration of Tax and VAT**: www.frca.org.fj
- Department of Immigration for **Work Permit**: www.immigration.gov.fj
- Reserve Bank of Fiji for the **Issue of Shares**: www.reservebank.gov.fj
- Local Town /City Councils for **Business License** to operate in the respective area.

The foreign investor may also require approvals/permits/licenses from other relevant agencies depending on the scope of the business.

FOREIGN INVESTMENT REGISTRATION CERTIFICATE (FIRC) APPLICATION -CHECKLIST

1. APPLICATION FOR A FOREIGN INVESTMENT REGISTRATION CERTIFICATE (FIRC) – NEW BUSINESS

An application form can be obtained from the following web-link <http://www.investmentfiji.org.fj/pages.cfm/for-investors/forms-1/>
Application Fee of FJD \$2,875.00 (VIP)

Prior to submitting an FIRC Application Form, please Reserve the Company /Business Name(s) with Registrar of Companies.

The following documents must accompany the FIRC application form:

- If a Company/Business is being listed as a Shareholder, the Application Form should include the following:
 - A certified true copy of the Certificate of Incorporation;
 - Other supporting documents such as brochures, annual reports etc (in available); and
 - Name (s) of those associated with the Shareholding Company.
- A copy of the Shareholders Agreement and a copy of the Declaration of Shareholders, witnessed/certified by a Justice of Peace, Lawyer and/or a Chartered Accountant, are to be submitted if local equity contribution is required;
- A certified true copy of the Passport Bio-Data Page of all those associated with the Company/Business;
- Recent colour passport size photograph with names written at the back of each photograph, of all those associated with the Company/Business;
- A recent (within 12 months) original or certified true copy of a Police Clearance Report from the Country of Residence of all Shareholders of the Company/Business;
- A Business Plan covering Budget/Cash Flow forecast for the proposed project;
- Copies of agreement such as Lease Agreement(s), Contract Agreement(s) and Purchase Agreement(s) etc. (if any); and
- Any other relevant document upon request.

(5 working days to process the application provided all relevant documents as per Checklist are submitted at the time of application and Application Forms are correctly and completely filled. Investment Fiji will conduct a due diligence and credibility checks for verification purpose).

2. EXISTING COMPANY SEEKING A FIRC (REGULARIZING STATUS)

An application form can be obtained from the following web-link <http://www.investmentfiji.org.fj/pages.cfm/for-investors/forms-1/>
Application Fee of FJD \$2,875.00 (VIP)

The following documents must accompany the FIRC application form:

- A certified true copy of the Registrar of Companies Certificate;
- A certified true copy of a Business License from the respective City/Town Council;
- Latest Financial Statements of the Company from a Registered Accountant;
- Evidence of latest Fiji National Provident Fund (FNPF) lodgments (if applicable);
- If a Company/Business is being listed as a Shareholder, the Application Form should include the following:
 - A certified true copy of the Certificate of Incorporation;
 - Other supporting documents such as brochures, annual reports etc (in available); and
 - Name (s) of those associated with the Shareholding Company.
- A certified true copy of the Passport Bio-Data Page of all those associated with the company/business;
- Recent colour passport size photograph with names written at the back of each photograph, of all those associated with the company/business;
- A recent (within 12 months) original or certified true copy of a Police Clearance Report from the Country of Residence of all Shareholders of the company/business;
- Evidence of latest Tax/VAT Return of the company /business lodged to Fiji Revenue & Customs Authority;
- Fill a Declaration Form (D1) if project has already implemented;
- Copies of agreement such as Lease Agreement(s), Contract Agreement(s) and Purchase Agreement(s) etc. (if any); and
- Any other relevant document upon request.

(5 working days to process the application provided all relevant documents as per Checklist are submitted at the time of application and Application Forms are correctly and completely filled. Investment Fiji will conduct a due diligence and credibility checks for verification purpose).

CHECKLIST FOR INVESTOR REQUESTS

1. CHANGE IN SHAREHOLDING STRUCTURE / TAKE-OVER OF AN EXISTING BUSINESS

The following documents must accompany request for Change in Shareholding Structure:

- Covering letter requesting for change in shareholding structure;
- Original or certified true copy of Shareholders/Directors Resolution signed by all parties involved or a resignation letter by the outgoing shareholder(s)/partner(s);
- If the foreign investor has been previously issued shares by the Reserve Bank of Fiji (RBF), then a letter from RBF approving the new shareholding structure or RBF letter approving the share transfer is required;
- A certified true copy of the Passport Bio-Data Page of the new Shareholder(s)/Partner(s);
- Recent colour passport size photograph with names written at the back of each photograph, of new Shareholder(s)/Partner(s);
- A recent (within 12 months) original or certified true copy of a Police Clearance Report from the Country of Residence of all new Shareholder(s)/Partner(s) of the company/business;
- If an incoming company /business is listed as a Shareholder, then a certified true copy of Certificate of Incorporation and name(s) of those associated with Shareholding Company must be provided;
- Evidence of latest Tax/VAT return of the Company lodged to Fiji Revenue & Customs Authority;
- A certified true copy of the Registrar of Companies Certificate (if not submitted to the Investment Fiji previously);
- A certified true copy of a Business License from the respective City/Town Council;
- Latest Financial Statements of the Company/Business from a Registered Accountant;
- Evidence of latest Fiji National Provident Fund (FNPF) lodgments (if applicable);

- Fill either Foreign Investor Survey (FIS) Form or a Declaration Form (D1) if project has already been implemented but has not been reported to Investment Fiji; and
- Any other relevant document upon request.

(15 working days to process the application provided all relevant documents are submitted at the time of submission).

2. CHANGE IN COMPANY/BUSINESS NAME

The following documents must accompany request for change(s) in Company/Business Names(s):

- Covering Letter requesting for change in Company/Business Name;
- A certified true copy of Certificate of Incorporation or an original or certified true copy of Name Reservation approval from Registrar of Companies Office; and
- Return original FIRC that was issued to the company/business.

(5 working days to process the application provided all supporting documents are submitted at the time of application).

3. EXTENSION/AMENDMENT/CHANGE OF COMPANY/BUSINESS ACTIVITY

The following documents must accompany request for extension/amendment/change of Company/Business activity:

- Brief Business Proposal with details of the proposed activity, level of investment and employment generation;
- Evidence of latest Tax/VAT return of the Company/Business lodged to Fiji Revenue & Customs Authority;
- A certified true copy of the Registrar of Companies Certificate (if not submitted to the Investment Fiji previously);
- A certified true copy of a Business License from the respective City/Town Council;
- Latest Financial Statements of the Company/Business from a Registered Accountant;
- Evidence of latest Fiji National Provident Fund (FNPF) lodgments (if applicable);
- Reserve Bank of Fiji (RBF) letter indicating the amount of foreign funds remitted from offshore;
- Fill either Foreign Investor Survey (FIS) Form or a Declaration Form (D1) if project has already implemented but has not been reported to Investment Fiji; and
- Any other relevant document upon request.

(15 working days to process the application provided all supporting documents are submitted at the time of application).

4. PROGRESS REPORT FOR WORK PERMIT EXTENSION/RENEWAL (“KEY POST”)

For Investment Fiji to issue a progress report of your Company/Business to the Department of Immigration, please submit request to Investment Fiji **THREE (3) MONTHS** prior to the expiry of your Work Permit :

The following documents must accompany request of progress report for work permit:

- Brief overview on the progress of the Company/Business to date;
- Evidence of latest Tax/VAT return of the Company/Business lodged to Fiji Revenue & Customs Authority (FRCA);
- A certified true copy of the Registrar of Companies certificate (if not submitted to Investment Fiji previously);
- A certified true copy of a Business License from the respective City/Town Council;
- Latest Financial Statements of the Company/Business from a Registered Accountant;
- Evidence of latest Fiji National Provident Fund (FNPF) lodgments (if applicable) ;
- Reserve Bank of Fiji (RBF) letter indicating the amount of foreign funds remitted from offshore;
- Fill either Foreign Investor Survey (FIS) Form or a Declaration Form (D1) if project has already implemented but has not been reported to Investment Fiji; and
- Any other relevant document upon request.

(21 working days to process the application provided all supporting documents are submitted at the time of application). All progress report will be addressed to Director of Immigration

5. EXTENSION OF TIME

Investors are required to apply for an extension of time to implement the project at least two (2) months prior to the expiry of the implementation period.

The following documents must accompany request for extension of time:

- Brief overview on the progress of the Company/Business stating reasons for delay in project implementation;
- Certified copies of Registrations/Approvals obtained from the relevant Investment Approving Agencies/Departments depending on the nature of the Company/Business activity(s);
- Documentary evidence of problems encountered causing delay; and
- Any other relevant documents upon request.

(15 working days to process the application provided all supporting documents are submitted at the time of application).

6. CANCELLATION OF FIRC

The following documents must accompany request for cancellation of FIRC:

- A cover letter requesting for FIRC cancellation;
- Original or certified true copy of Director’s /Shareholders Resolution signed by all parties involved;
- Certified true copies of Fiji passport and certificate of naturalization from Fiji Immigration (if investor obtains Fiji citizenship);
- Certified and translated death certificate (if applicable); and
- Return the original FIRC to Investment Fiji.

FOREIGN INVESTMENT REGULATIONS 2009

RESERVED ACTIVITIES

The following activities are prescribed for Fiji Citizens only. For the purpose of Section 5 of the Act, the following Activities are prescribed –

- A Milk Bar or Cafeteria Business;
- A Taxi Business;
- A Kava Business;
- Retail Sale Via Stalls and Markets;
- A Handicraft Business;
- Tailor Shops;
- Repair of Personal and Household Goods;
- A Plumbing Business;
- An Electrical Business;
- Plant Nursery and Care;
- A Day-care Centre;
- An Internet Café and Amusement and Gaming Centers;
- Home-stay Lodging Services;
- A Bakery Business, other than those operated within the vicinity of a hotel/resort and/or operated by foreign owned hotels/resorts;
- Backpacker Operations;
- A Nightclub, other than those operated within the vicinity of a hotel/resort and/or operated by foreign owned hotels/resorts; and
- A Liquor Bar, other than those operated within the vicinity of a hotel/resort and/or operated by foreign owned hotels/resorts.

RESTRICTED ACTIVITIES

The following list of activities, have conditions which must be met by foreign investors who wish to pursue them:

FISHING

At least 30 % equity held by Fiji citizen(s) and the foreign investor must have at least \$500,000 in owner's contribution or paid-up capital for companies in the form of cash from the operational date, to be fully brought into Fiji within the implementation period.

FORESTRY (Plant Management & Logging)

Foreign investor must undertake value adding and must have at least \$500,000 in owner's contribution or paid up capital for companies in the form of cash from the operational date, to be fully brought into Fiji within the implementation period.

MANUFACTURING (Tobacco Production)

A foreign investor must use at least 75% locally grown and processed tobacco in all domestic cigarette production and must have at least \$500,000 in owner's contribution or paid-up capital for companies in the form of cash from the operational date, to be fully brought into Fiji within the implementation period.

TOURISM (Cultural Heritage)

Any activity involving investment in the cultural heritage of the Fiji islands must have at least \$500,000 in owner's contribution or paid-up capital for companies in the form of cash from the operational date, to be fully brought into Fiji within the implementation period.

SERVICES

1. Real Estate Management

- A foreign investor engaging in real estate management and real estate agents must have at least \$1m in owner's contribution or paid up capital for companies in the form of cash from the operational date, to be fully brought within Fiji within the implementation period.
- A foreign investor engaging in the above real estate management activities needs to be certified under the Real Estate Agents Act.
- A foreign investor engaging in real estate activity in renting out of homes/villas/apartment/bures to tourists only must have at least \$250,000 in owner's contribution or paid up capital for companies in the form of cash from the operational date, to be fully brought within Fiji within the implementation period.

2. Real Estate Development

A foreign investor engaging in real estate development must have at least \$5m in owner's contribution or paid up capital for companies in the form of cash from the operational date, to be fully brought within Fiji within the implementation period.

3. Construction

A foreign investor engaging in the construction industry must have at least \$1m in owner's contribution or paid up capital for companies in the form of cash from the operational date, to be fully brought within Fiji within the implementation period.

4. Earthmoving Business

A foreign investor engaging in earthmoving business must have at least \$1m in owner's contribution or paid up capital for companies in the form of cash from the operational date, to be fully brought into Fiji within the implementation period.

5. Inter-island Shipping and Passenger Service (Exclusive of Tourism Support Services)

A foreign investor engaging in inter-island shipping and passenger service must have at least \$500,000 in owner's contribution or paid up capital for companies in the form of cash from the operational date, to be fully brought within Fiji within the implementation period.

Additional Information

- Apart from those activities listed under the Reserved and Restricted List all other activities fall under the **UNSPECIFIED ACTIVITIES**.
- In line with the 2013 Budget announcement, under **UNSPECIFIED ACTIVITIES** the \$250,000 in owner's contribution or paid-up capital for companies in the form of cash from the operational date, to be fully brought into Fiji within the implementation period of the business has been waived. However, to qualify for a work permit, a foreigner/foreign investor needs to bring in at least \$50,000 in cash as equity investment from offshore. Funds brought into Fiji as equity should be transferred into the business enterprise's/entity's Fiji Dollar resident bank account in Fiji and not an offshore bank account.
- Projects having a minimum financial threshold below \$2.5m, will be given 12 months implementation period whereas projects having minimum investment financial threshold above \$2.5m will be given 18 months for implementation period.