



HEALTH

Investment **Fiji**

SECTOR PROFILE

HEALTH SECTOR

A country's health care system consists of both the public and private sectors, with the private one increasingly complementing public services. As countries in the developing world become wealthier their citizens may choose to use private health services to address their health needs. As a result, the private health sector in emerging markets can offer attractive returns to investors – from both the commercial and social perspectives.

Fiji's Constitution embeds the right to health as a fundamental right for all citizens. The Constitution also imposes a duty on the State to take all reasonable measures within its available resources to achieve the progressive realisation of the right of every person to good health, to provide adequate conditions and facilities necessary to good health, and to ensure access to health care services, including reproductive health care.

Fiji's health care system consists of both the public and private sectors, with private services playing a complementary role to those delivered in the public sector. Growth in demand for privately-provided services

is expected to continue as Fiji's economy develops and the country's GDP rises.

In Fiji, as elsewhere in the developing world, life expectancy is increasing. At the same time, more people are living with long-term, non-fatal conditions such as diabetes which require ongoing monitoring and management. Demand for non-urgent (elective) surgical procedures as a result of growth in the prevalence of non-communicable diseases is also anticipated to increase. A sharper focus on disease prevention is also expected to lead to greater demand for screening as well as goods and services that support healthier lifestyles. As a result the private health sector in emerging markets can offer attractive returns to investors – from both commercial and social perspectives.

In terms of major health infrastructure Fiji has three divisional hospitals, 18 sub-divisional hospitals, 84 health centres and 98 nursing stations around the country. In addition, two specialised hospitals and two private hospitals deliver a range of primary and specialist healthcare services. The three divisional hospitals are; Colonial War Memorial Hospital (CWMH) in Suva, Lautoka Hospital and Labasa Hospital. The two specialist hospitals are both in Suva; St. Giles Hospital and Tamavua/Twomey Hospital. Incentive package available to investments in retirement villages and aged care facilities'





OPPORTUNITIES

- Our 884,887 residents and nearly 800,000 tourists create a sizeable potential market of over 1.6 million people.
- Extensive tax exemptions are offered for businesses to set up private hospitals and ancillary pathology and radiology laboratories.
- Currently most patients from Fiji and other Pacific Island countries who seek overseas specialist treatment travel to Australia or New Zealand where services can be costly. Cheaper specialized medical treatment is offered in India but the travelling time and cost is a disadvantage.
- Although Fiji has reasonably extensive private primary care services offered by general practitioners and pharmacies the extent of private sector secondary/tertiary care is currently limited with only two private hospitals in Fiji.
- Fiji offers a pristine and healthy environment for after care health services so opportunities exist for medical tourism and retirement care.
- Potential exists for pharmaceutical manufacturing plants to be set up as most products are currently imported.
- Fiji's Constitution embeds the right to health as a fundamental right for all citizens.
- Of the total population, 29% is under 15 years of age and 9% is over 60 years of age. The urban population currently stands above 56% of the total population and the fertility rate in is 2.5 births per woman which provides opportunities for wide range of health care services.



INCENTIVES

MEDICAL INCENTIVES

The income of any business setting up Private Hospitals on or after 1 January 2016:

- Shall be exempt from tax for a period of 10 years with a minimum capital investment level of FJD\$7,000,000
- 60% Investment Allowance will apply for refurbishments, renovations and extensions with a minimum capital investment of FJD\$1,000,000
- Duty Concession (Free Fiscal Duty, Free Import Excise & Free VAT) on medical, hospital, surgical, dental goods that are used and imported by the business.
- Recipients of the provisional approval for setting up Private Hospitals shall complete the project within two years from the date the provisional approval was granted
- Loss carried forward of 8 years.
- Hospitals under Private Public Partnerships (PPP) arrangements are eligible for the medical tax incentives.

The income of any business setting up Ancillary Medical Services such as Pathology Lab, MRI, other diagnostics on or after 1 January 2016:

- Shall be exempt from tax for a period of 4 years with a minimum capital investment level of FJD\$2,000,000
- 60% Investment Allowance will apply for refurbishments, renovations and extensions with a minimum capital investment of FJD\$500,000
- Duty Concession (Free Fiscal Duty, Free Import Excise & Free VAT) on medical, hospital, surgical, dental goods that are used and imported by the business.
- Recipients of the provisional approval for setting up Ancillary Medical Services shall complete the project within two years from the date the provisional approval was granted
- Loss carried forward of 8 years
- Hospitals under Private Public Partnerships (PPP) arrangements are eligible for the medical tax incentives.



WHY INVEST IN FIJI?

Fiji's renowned culture of hospitality and resourcefulness delivers exceptional value for investors. There are many examples of commercial success resulting from investment ventures by international partners. Fiji offers a compelling investment proposition and has a stable political environment that encourages economic growth and development. Continued investment in infrastructure, education and training have implications not only for the attractiveness of Fiji as a location to investors, but also for the quality of inward investment. Investment Fiji is witnessing a growing interest from large multinationals.

Economic stability is essential for attracting significant inward investment; with Fiji having both low levels of inflation and positive GDP growth

since 2010. There has been a sharp rise in confidence of the domestic private sector and foreign investors with new bank lending for investment purposes rising consistently. Fiji is also the regions foremost trading hub with excellent shipping routes across the Pacific Islands. Fiji has \$7 billion worth of road infrastructure and 1,200 bridges, 47 jetties, 5 commercial ports, 25 local and 2 international airports.

Fiji has a business friendly tax structure that supports innovation and investment with 20% corporate tax and a lower rate of 10% for companies listed on the South Pacific Stock Exchange. The Fijian Government has announced a number of incentives and pro-growth policies to attract investments and encourage economic growth that is stable and sustainable. Government plans to increase per capita income by fourfold over the next 20 years.

The continuous enhancement of infrastructure, growth of our tourism industry, advantages of a young population, a first class English-speaking workforce, natural flair of services, conducive business environment and low entry costs are key ingredients of Fiji's continued success.

INVESTMENT FIJI

Investment Fiji was established as the Economic Development Board (EDB) in 1980 and is guided by the Foreign Investment Act. A statutory organization, Investment Fiji operates independently as the marketing arm of the Fiji Government, providing services and assistance to promote, and stimulate investments and exports. As such, Investment Fiji carries out three primary roles, Investment Promotion, Investment Facilitation and Export Promotion.

The Investment team provides in depth market intelligence, identifies potential investment projects and assists investors and delegations by arranging suitable meetings and introductions - in addition to promoting Trade and Investment opportunities overseas.

The purpose of the Investment Facilitation team is to provide post-establishment after-care facilitation services enabling and assisting both foreign and local Investors in establishing their business and providing information, support and assistance during the growth phases - and through to developmental support to retain investment, encourage follow-on investment and achieve greater economic impact.

The purpose of our Trade and Export team is to increase exports in general, but particularly of entities, whose products and services add value, allow for import substitution and contribute to employment.



POSITIVE
ECONOMIC GROWTH SINCE 2010



94%
LITERACY RATE



40 & UNDER
69% OF TOTAL POPULATION



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