



**UNITED NATIONS
PACIFIC**



SOCIO-ECONOMIC IMPACT ASSESSMENT OF COVID-19 IN FIJI

**SUMMARY OF KEY FINDINGS AND
POLICY RECOMMENDATIONS**

JULY 2020

This summary has been developed in line with the findings and recommendations of the joint United Nations Socio-Economic Impact Assessment of COVID-19 in Fiji. The assessment has focused on a series of in-depth analyses guided by the United Nations Framework for the Immediate Socio-Economic Response to COVID-19, analysing actual and potential losses for Fiji's economy and vulnerable groups as a result of the COVID-19 pandemic. It also analyses the magnitude and nature of the impact on selected sectors and affected segments of the population, and recommends the most effective policy interventions to address the impact of COVID-19.

1. MACROECONOMIC IMPACTS AND POLICY RECOMMENDATIONS

Figure 1.1 Fiji real GDP growth projections¹

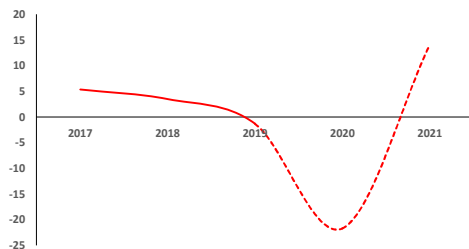
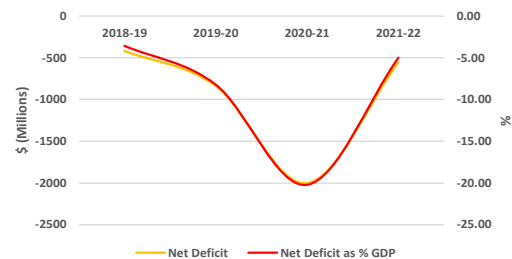


Figure 1.2 Fiji fiscal balance²



Owing to unfavourable external conditions, estimates indicate Fiji’s economic expansion will decelerate from 3.5 percent in 2018 to 1.3 percent in 2019³. The economic downturn in 2019 is the largest ever recorded in the last decade and underscores Fiji’s connectedness to the global economy and trading partners.

With 27 confirmed cases and only 1 COVID-19 related death, Fiji has managed the pandemic remarkably well. Other island nations with comparable population size, GDP per capita and dependence on tourism have fared worse. Despite its success in containing the pandemic, Fijian GDP is expected to experience a sharp contraction of its GDP in 2020.

Fiji’s medium-term outlook remains positive, but uncertainty surrounding the outlook is exceptionally high. Risks include the potential impact of the current COVID-19 pandemic, unfavourable external conditions, and a longer lasting slowdown in global growth.

The impact of COVID-19 on the Fijian economy will stem primarily from a decline in tourism, which is the country’s primary industry, contributing around 38 percent to GDP. The impacts will reverberate throughout the economy’s supply chains, government accounts, and business and consumer confidence.

The Fijian economy will contract by 21.7 percent in 2020⁴ due to a reduction in tourism and its knock-on effects, which would be the most severe contraction in the island nation's history.

However, the current economic crisis also presents an opportunity for Fiji to diversify its economy, reduce excessive dependence on imports, improve food security and accelerate structural transformation. The Agricultural Response Package - scaling up of the existing Home Gardening program and a new Farm Support Package to boost farm production – could help stimulate productivity growth and employment opportunities.

¹ UN RCO-Fiji, using Fiji Bureau of Statistics and Ministry of Economy data.

² Ibid.

³ Fiji Bureau of Statistics and Ministry of Economy, 2020.

⁴ Ibid.

The contraction in the Fijian economy and consequent reduction in government revenue, in combination with higher expenditure to counter COVID-19, will widen the fiscal deficit to around 20.2 percent of GDP for the fiscal year 2020-2021 and 5.0 percent for 2021-2022.

The level of fiscal response varies across selected Pacific Island countries (PICs): Fiji is spending around 8.7 percent of its GDP; the Marshall Islands are spending around 3.1 percent of its GDP; Palau is spending around 2.4 percent of its GDP; and Tonga is expending to spend about 5.3 percent of its GDP. As a result of these crisis-related fiscal responses, the impact of COVID-19 is expected to leave selected PICs with large fiscal bills to pay in future.

The Fijian fiscal response to the crisis has been not only large, but also well-targeted. It has implemented two stimuli measures, with very specific strategies in mind. The loan repayment holiday program – with FJD 400 million outlay – will help prevent small and medium enterprise (SME) bankruptcies. The FJD 100 million for unemployment assistance and a subsidy to Fiji Airways of FJD 60 million to incentivize first 150,000 tourists are good examples of state-contingent measures to help stimulate consumer spending and investments required for recovery.

Figure 1.3 Total Government debt⁵

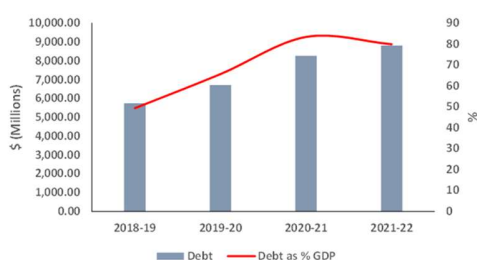
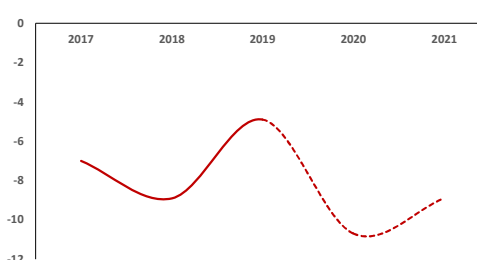


Figure 1.4 Current account balance (% of GDP)⁶



The debt to GDP ratio will increase substantially in the next year due to the wider deficit, high levels of borrowing and a substantial contraction in nominal GDP. Debt levels are expected to increase to \$8,256.4 million or 83.4 percent of GDP by the end of July 2021 (up from 65.6 percent in fiscal year 2019).

It is also important to highlight that despite significant vulnerability to volatile external flows (tourism receipts and remittances), Fiji has managed to keep its external debt stock relatively low at only about 13 percent of GDP, significantly lower than most island economies. Prudent macroeconomic management and restraints on borrowing has prevented rapid increases in external debt.

Access to concessional finance will be critical in dealing with fast-forwarded fiscal and debt risks. Furthermore, with the bulging fiscal deficits arising from the COVID-19 response, the role and

⁵ UN RCO-Fiji, using Fiji Bureau of Statistics and Ministry of Economy data.

⁶ UN RCO-Fiji, using Fiji Bureau of Statistics and Ministry of Economy data.

nature of development financing instruments will become critical in trying to minimise national debt levels.

Fiji’s external sector account is likely to experience negative impacts in 2020 from lower tourism earnings, with the current account deficit projected to be 10.7 percent of GDP in 2020. The current account deficit could improve to 8.9 percent of GDP in 2021 with rebounding remittances and tourism receipts.

Opportunities for low carbon development through economic stimulus packages⁷

Energy and electricity	Investment in renewable energy projects
	Investment in grid infrastructure to strengthen smart grid management technologies
	Fiscal reform on fossil fuel subsidies
Land transport and mobility	Investment in walking and cycling infrastructure in cities
	Incentives for zero emission shared mobility
	Investment in smart and zero emission public transport
	Financial incentives for zero emission vehicles
Aviation	Conditional support for aviation industry to adopt energy efficiency
	Incentivise use of rail to replace short haul flights
Industry	Support the uptake of energy efficiency measures
	Make support conditional on energy efficiency and emissions targets
Buildings	Support for energy efficiency retrofits of existing buildings
	Support for construction of new zero emission buildings

The COVID-19 pandemic presents an opportunity for PICs to recalibrate their economic growth strategies by adopting more sustainable policy measures, particularly through planned green economic recovery and stimulus packages.

The Government of Fiji needs to target its stimulus packages at firms and industries that are low-carbon, resource efficient and have environmental and climate conscious goals. Moreover, by gradually eliminating fossil fuel subsidies, the economy could finance most, or all, of its current

⁷ UNSDG Policy Brief: The Impact of COVID-19 on South-East Asia, July 2020.

stimulus package. Such policy reforms would relieve fiscal pressure and boost low carbon alternatives such as renewable energy and energy efficiency.

Key policy recommendations

- **Implement sizable targeted fiscal policies, complemented by broader stimulus packages at the national level, to both cushion the economic impact on households and businesses, and enable them to recover quickly.** With its large informal sector, Fiji should take advantage of innovative digital technologies that can be used to deliver targeted income support and deliver direct transfers to identified individuals and households. The Government of Fiji also needs to expand existing support programs and new programs and policies such as cash transfers, wage subsidies, tax relief, and re-scheduling of debt repayments. These schemes need to include the most vulnerable.
- **Support businesses impacted directly by COVID-19, such as tourism and tourism-allied businesses** (with special priority to small and medium sized enterprises), through concessional finance to cover fixed costs of operation (e.g. lease payments, maintenance of core staff structure for property management and repairs, and market fees for market vendors), and provide higher future tax exemptions for physical improvements such as construction and rehabilitation of the property during the economic downturn.
- **Scale up and target social protection and safety-net programs towards those most at risk** of falling into poverty due to the pandemic. As COVID-19 spreads further, it will continue to expose the inequalities that exist in our economic systems. The people who will suffer the most will be those already neglected such as the informal sector workers, the majority of whom are women, underpaid, overworked, unable to work from home and deprived of social protection and sick leave. The poor and the vulnerable are least likely to have the savings to survive lockdowns or any economic downturn. Under such circumstances, safety nets, especially cash transfers, paid leaves and health insurance, can provide quick financial support to overcome the basic needs of vulnerable and poorer segments of society.
- **Monetary authorities need to introduce loan-restructuring policies and provide any needed liquidity and credit guarantees to banks and small and medium-sized enterprises.** The Government could offer provisionally targeted credit guarantees or direct loans to address the short-term liquidity needs of firms in distress. The Reserve Bank could also request banks to renegotiate loan terms or temporarily defer loan and interest payments with no penalty for the most affected households and firms. Easing financial conditions and exercising regulatory forbearance will also help both households and firms to smooth consumption, daily operations and to address liquidity needs. The Reserve Bank may also use swap lines to gain access to international liquidity.
- **Integrate sustainable recovery approaches and environmental considerations across all sectors of response and recovery efforts.** Stimulus packages should support the transition to a healthier, resource efficient green and circular economy, founded on sustainable consumption and production patterns anchored to sustainable value chains. During the recovery, Fiji needs to resist the pressures to roll back environmental regulations in order to stimulate growth, as this would be costly in the medium and long-term. Green finance and

investments need to be prioritised and banks receiving government support could be mandated to better disclose climate risks in their sector lending and investment portfolios. At the same time, development partners should support and prioritise re-skilling programs that create green jobs. Tying fiscal recovery to the actions that strengthen positive environmental and climate change impact offers a key opportunity to include 'green' in their economic recovery. This is particularly true of jobs creation and related vocational and professional training needed to support the transition. Mitigation, adaptation and nature-based solutions can increase resilience to climate change and related negative costs, and reduce the economic dependency on imported fossil fuels and inefficient use of energy.

The COVID-19 pandemic underscores the important role of public policies in dealing with crisis. The United Nations (UN) stands ready to support the Government of Fiji in analysing the key implications of the proposed policy measures to ensure that policymakers are aware of policy trade-offs and that the desired impacts of such measures are sustained over time without causing economic and social instability and environmental degradation. Recovering better will require programs that address training, digital transformation and skills, sustainable infrastructure and crisis preparedness, implementation of health protocols, social protection and business continuity. The UN stands ready to facilitate the support from development partners.

2. PROTECTING JOBS, SMALL AND MEDIUM-SIZED ENTERPRISES, AND INFORMAL SECTOR WORKERS

Even prior to the COVID-19 crisis, the labour market situation in the Pacific was characterized by underemployment, high levels of informality, gender disparities in employment outcomes and a large and growing share of young people entering the job market with limited options in the formal sector.

Key policy recommendations

Cushioning the impact of COVID-19 on employment and businesses:

Stimulating the economy and employment

- Reconfigure and re-align traditional economic sectors to emerging economic sectors (the gig economy, the green/blue economy and the circular economy), including accelerating the operationalisation of Fiji's Green Growth Framework.
- Introduce national incentive schemes (financial incentives, tax benefits for potential businesses and technical support) for production of Fiji-made import substitute products and services.
- Make Fiji an information and communications technology (ICT) hub for the Pacific. Fiji, having the advantage of time difference with key markets, can initially target 0.25 percent of a multi-billion industry which includes back office operations, the internet of things and software app development.
- Recognising that COVID-19 is a reallocation shock, re-orienting business activities and reskilling workers will be vital for the Fijian labour market.
- For a higher trajectory of job-creating growth over the medium run, strategies need to focus on education and skills, labour market information system, an improved business climate, investment in green infrastructure, increased women's engagement in the labour market, and greater adoption of ICT to support the emerging knowledge economy.

Supporting enterprises, jobs and incomes

- Improve cash flow challenges of business by providing immediate cash injections or incentives targeted for manufacturing, wholesale, retail and tourism sectors.
- Provide innovative and needs-based portfolios to micro, small and medium sized enterprises (MSMEs) such as leasing finance, venture finance, simplified and inclusive domestic credit guarantee programs, which include both banking and non-banking financial institutions.
- Other MSME and informal sector specific policy options that Fiji could explore include: i) targeted job retention scheme; ii) direct compensation to MSMEs; iii) amendment of insolvency and restructuring regulations; iv) consolidation of banking capital; and v) incentives for informal firms to become formal, including social protection coverage for informal workers.
- Expand incubator and accelerator programs for redundant formal sector workers to ensure transition to micro businesses.

- Increase the employability of young people, particularly in new and emerging sectors. This will require universities and technical and vocational institutes to overhaul their curricula and training programs by revisiting and re-vamping existing apprenticeship programs with strong private and public sectors participation and incentives.

Protecting workers in the workplace

- Supporting workers' loss of income through a social protection lens such as wage subsidies and unemployment insurance.
- Mainstreaming COVID-19 responses into workplace policies, plans and training (including occupational safety and health policies and business continuity plans) and developing national teleworking policies.

Relying on social dialogue for solutions

- Undertake employment and business policy reviews through tripartite consultations including operationalisation of the Employment Relations Advisory Board (ERAB).

To cushion the impact of COVID-19 on women, the Government needs to make targeted efforts that include the following recommendations:

- Prioritise relief efforts towards sectors that have higher female to male participation ratios to protect working women from losing jobs and income.
- Provide non-financial support by organising community run day-care services in areas with minimal risk of virus exposure. This would enable working mothers to work from home (or go to work in case of essential workers).
- Prioritise working women, in particular single mothers, in the Government's relief plans as they tend to be more vulnerable.
- Widen access to finance through special credit schemes for women. Access to finance is a constraint for MSMEs, more so for small scale self-employed women entrepreneurs who represent 25 percent of the self-employed workforce.

Labour mobility and migration

- Ensure adequate support is provided to Pacific seasonal and temporary workers including coverage under government income support schemes, medical insurance and opportunities for repatriation.
- Provide psychosocial counselling and services to Pacific labour mobility workers and their families affected by COVID-19 border closures.
- Wherever possible, training and reskilling of Pacific labour mobility workers should take place in each country of origin so that migrants have alternative employment options.
- With respect to both labour migration and tourism, Fiji could explore the 'migration corridor' as a priority and enrol in the Trans-Tasman 'travel bubble,' subsequently expanding to East Asia.

3. PROTECTING HEALTH SERVICES AND SYSTEMS

The Government moved decisively following the identification of the first COVID-19 case and has taken various effective measures to prevent the spread of COVID-19. The implementation of non-pharmaceutical interventions (NPIs) enabled Fiji to prepare and improve health system readiness to respond to COVID-19. However, public anxiety, disruptions to social and economic activities, and the cost of preparation and response have had significant impacts across all sectors and segments of the population in Fiji.

Cost-based and output-based approaches to impact modelling were used for this assessment. The WHO COVID-19 Essential Supplies Forecasting Tool (ESFT) and the UNFPA Spectrum tool (Famplan – LIST module) were used to estimate the costs of essential COVID-19 supplies and the impact on sexual and reproductive health. These hypothetical estimates serve as the nearest surrogate to actual costs and impact in the absence of official data.

The health system is being overwhelmed by the COVID-19 response. The operational cost of healthcare continues to rise because of adaptations, NPIs and infection prevention control (IPC) measures designed to prevent COVID-19 spread in health facilities. Models suggest that the current health system capacity can cope with a cumulative maximum of 859 cases over a simulated 12-week period. The projected cost of minimum essential supplies could reach \$5.5 million for first three months at the peak of the pandemic. The modelled scenario of a 10 percent drop in skilled birth attendance and facility-based deliveries and a 20 percent drop in number of users of family planning methods could result in eight additional maternal deaths and 4,830 unintended pregnancies.

The risk of imported cases of COVID-19 remains despite initial containment. Effective NPIs still represent the best line of defence and, when coupled with investment in health system capacity, will ensure adequate COVID-19 care and maintenance of essential services. The cost of NPI measures in Fiji include the cost of case detection, contact tracing, quarantine and isolation, border measures, and the direct and indirect costs of any lockdown measures.

Beyond the direct health impact of COVID-19, the direct and indirect impact of the containment and mitigation measures, such as border closures and restriction on movement, have substantial effects on people's livelihood and influence access to essential services and impact on future health outcomes. Without a definitive treatment or vaccine, the need for containment measures (lockdowns) is likely to continue.

A dynamic, risk-based approach to border re-opening and easing of lockdown measures is recommended to reduce the risk. This would be complemented by increased capacity and capability for surveillance, early case detection, contact tracing, and point of entry public health measures. Key considerations recommended by the WHO⁸ for ensuring continuity of essential health services have been previously outlined. These include adjustment to service coordination,

⁸ World Health Organization, 2020. Maintaining essential health services: operational guidance for the COVID-19 context. <https://www.who.int/publications/item/10665-332240>

re-prioritisation, effective community engagement, and use of alternate facilities and telehealth/telemedicine where practical.

Key policy recommendations

- **In the intermediate term, the Government of Fiji needs to focus on building contingency plans and investing in health infrastructure** (especially for infectious disease control and management) to manage any probable large-scale spread of COVID-19 in a potential second wave as countries slowly reintegrate into the global economy. Public health expenditure needs to be prioritised for procuring testing kits, hiring medical specialists, purchasing personal protective equipment and ventilators, and expanding the availability of ICU beds and isolation wards in hospitals, maintaining essential health services and securing adequate supplies of vaccines when available.
- **Protect the share of health sector allocation** to ensure continuity and delivery of services and remove financial barriers to access. The share of Ministry of Health and Medical Services (MoHMS) budget allocation in the 2019/20 supplementary budget was 9.8 percent (FJD348 million) of total government budget. The Government should spend at least 5 percent of GDP on the health sector but currently allocates only 3 percent of GDP to it in the 2019/20 supplementary budget.
- **Maintaining and funding essential health services** including preventive care despite budgetary pressures due to economic slowdown and additional costs of COVID-19 response.
- **Strengthen workforce and public health response capacity and capabilities**, and consider and represent the needs of women health workers in decision-making.
- **Expand and strengthen community health worker programs.** Facility-based services should be delivered remotely where appropriate and feasible, and primary care services that would routinely be delivered across multiple visits should be integrated when possible. FJD2.5 million was allocated in the 2019/2020 supplementary budget.
- **Maintain the availability of essential medications, equipment and supplies.** The need to redirect supplies to treat patients with COVID-19, compounded by general supply chain disruptions due to the effects of the outbreak on other sectors, is likely to lead to shortages of resources needed for essential services. There were reductions in the drug and medical equipment allocations in the 2019/2020 supplementary budget, from FJD63.1 million in 2018/19 to FJD55.4 million.
- **Monitor the impact of COVID-19 lockdown measures on service outputs and health outcomes** especially on non-communicable diseases (NCDs), child health, mental health, sexual and reproductive health, and gender-based/domestic violence.
- **Monitor the impact of COVID-19 and response measures on vulnerable groups**, and different types of households, with a focus on single women headed households because of their proportionally high out-of-pocket spending on healthcare.
- **Maintain and expand effective public health programs, including communication and community engagement** to maintain trust in public health authorities and ensure appropriate care-seeking behaviours. There were reductions in the public health services allocation in the 2019/2020 supplementary budget, from FJD13.6 million in 2018/19 to FJD5.5 million.
- **Expand access to mental healthcare services by allocating sufficient resources.** This would require an expansion of health centres to ensure wide accessibility and would include

an increase in the number of mental health professionals, psychiatrists, child psychiatrists, psychologists and social workers.

- **Ensure enough resources are allocated to provide mental health services** to people more likely to suffer from mental illness (such as healthcare workers, informal/self-employed workers, women and children).
- **Continuous monitoring of essential health service indicators** will facilitate future responses to COVID-19. It is recommended that Fiji continues to monitor the impact of COVID-19 on the health sector using a set of indicators recommended by the WHO.

4. SOCIAL PROTECTION AND BASIC SERVICES

The impact of COVID-19 will increase poverty over the coming years, with associated negative impacts on various socio-economic outcomes for families in Fiji. To counter the impact of COVID-19 on poverty, food security, nutrition, education outcomes and gender-based violence, it is of utmost importance to ensure that the population continues to have access to social services and social protection.

While acknowledging the constraints faced by the Government and the need for policy trade-offs, maintaining some fiscal space for social sector expenditure during the time of economic crises is critical. The COVID-19 crisis has greatest impact on the poorest and most vulnerable, with significant intergenerational implications. The opportunity cost of not ensuring minimum expenditure now will have short, medium and long-term impacts that will require vastly greater expenditure by the state in the future.

Key policy recommendations

Social protection

- **Extend the care and protection allowance to all single-parent households** and households with children that have little labour capacity compared to their size and **extend the poverty benefit scheme to all persons in poverty or establish a temporary emergency welfare fund.** The **Care and Protection Allowance** is an existing social protection program in Fiji that reaches around 2 percent of children in the country, focusing on children in single-parent households, children living in foster families in poverty and children living in otherwise vulnerable households. Extension will cost the Government an additional FJD4.1 million and benefit an additional 42,921 children expected to fall below the poverty line in the worst case scenario due to COVID-19.
- The **Poverty Benefit scheme** is an existing social protection program in Fiji that reaches around 19,000 beneficiaries in the country, focusing on poor families. An extension will cost the Government an additional FJD28 million and benefit an additional 115,894 people expected to fall below the poverty line in the worst-case scenario. However, this may lead to concerns around dependency of beneficiaries beyond the crisis period. Therefore, the Government could adopt the Cook Islands model of introducing a temporary Emergency Hardship Fund.
- The Government should establish a **temporary emergency welfare fund** to support the newly vulnerable. The purpose of the fund should be to provide essential relief for families and individuals during emergency situations that cannot be supported through other available benefits, subsidies or grants. The fund should also require recipients, where possible, to register for employment services and remain productive and active members of society through volunteering, community work, or job training. The temporary fund should be available until 31 December 2020 and may cease thereafter. With this option, the Government has the option of starting with a three-month cash transfer program, which will cost around FJD14 million and may be extended for another three months if the impact continues.

Education

- **Protect share of education financing.** The Ministry of Education, Heritage and Arts (MEHA) budget allocation in the supplementary 2019/20 budget was 13.4 percent of total government budget. It is recommended that the Government must maintain the share of resource allocation to ensure continuity and delivery of quality learning and teaching.
- **Social protection programs targeted to households with children** can be used as instruments to prevent secondary school dropout, as families that might fall into poverty would not have the need to resort to child labour as a coping mechanism. In addition, **scaling up the bus fare assistance program and free milk program can address possible higher school dropout rates.** The Government should consider increasing the allocation for the bus fare scheme by FJD10 million which will benefit a further 43,000 students who are expected to fall under the poverty line. Similarly, the Government should extend the free milk program to all Year 1 children in Fiji for fiscal year 2020/21. This will benefit an additional 17,931 children and will cost an additional FJD2 million.
- **Explore and strengthen options for learning continuity.** The Government is recommended to ensure adequate resources are allocated to planning, testing and preparing diverse approaches that will make remote learning feasible for all.
- **Allocate adequate resources to improve water, sanitation and hygiene (WASH) in school infrastructure, supplies and hygiene upon re-opening of schools.** In 2019, only 83.4 percent of schools had handwashing facilities with water and soap. The Government needs to allocate enough resources and ensure all schools in Fiji has proper WASH facilities.
- **Sufficient resources should be allocated towards maintenance and repair works.** Fijian children faced the double burden of crises due to COVID-19 and Tropical Cyclone (TC) Harold. A total of 123 out of 1,764 schools were affected in Viti Levu, Kadavu, Lomaiviti and Southern Lau. An estimated 11,837 students at all levels of education were affected. The estimated maintenance cost is around FJD10.6 million.
- **Subsidise childcare for 2 to 4-year-old children.** This can have ripple effects on unemployment, productivity, poverty, gender equality, violence against children and improved education outcomes.
- **Encourage and subsidise private sector provision of private childcare,** which can increase availability of services throughout the country and bring positive impacts on employment, poverty and gender equality.

Essential food and nutrition

- **Encourage 'healthy markets' and urban farming on available land through seed distribution and community education programs.** This will reduce the length of supply chains and reliance on imports, helping those on reduced or low incomes to maintain their food security.
- **Financial protection for farmers is essential** to protect loans, infrastructure and assets that are critical to help rebound livelihoods of farmers once markets/trade resumes, and that are currently under financial duress.

Water and sanitation

- Ensure **sufficient fiscal capacity** at the appropriate level of government to sustain essential public services and invest in more resilient water, sanitation, and solid waste management systems.
- **Allocate sufficient resources for communication and awareness campaigns** on the importance of handwashing even after the pandemic is over.

Housing and informal settlements

- Ensure all residents, regardless of formality of dwelling, are protected from losing their homes and retain access to essential services with financial support mechanisms for those least able to make rent, mortgage and utility payments.
- Make investments in affordable and accessible housing programs and slum upgrading.

Support survivors of gender-based violence

- **Strengthen coordination and collaboration** with other key government actors in protection and **invest in the whole of government** to scale up gender-based violence primary prevention approaches and improve administrative routine data collection on protection cases in all sectors, including family based coping programs, positive parenting, cash transfer and community social mobilisation programs.
- **Protect-dedicated funding** to support survivors of domestic violence through emergency helplines and support funds. Maintain the fiscal year 2019/20 level of funding for the Domestic Violence Helpline (FJD200,000) and increase the Domestic Violence Support Fund from FJD30,000 to FJD60,000 (calls to the National Domestic Violence helpline have increased by 606 percent between February and April 2020).

5. SOCIAL COHESION AND COMMUNITY RESILIENCE

Although Fijian communities were heavily impacted by COVID-19 and TC Harold, strong social capital has enabled them to cope and become resilient to risks. With strategic support, innovative investment and ensuring communities are at the centre of recovery efforts, both the state and society will be able to transform the crisis into an opportunity. It can build back better, achieve the Sustainable Development Goals and foster peace and security while upholding the rule of law, human rights, gender equality, social cohesion and an inclusive approach to development. The UN will provide support through various UN agencies to promote engagement, dialogue and build the capacity of governance institutions and communities and groups at risk, including women, persons with disabilities, and young people.

Governance and oversight

Fiji should continue to strike a balance between COVID-19 preventative measures and responses with democratic space and rule of law. This will strengthen the national capacity to deal with the current crisis, as well as future shocks and risks and the ongoing initiative to promote the rule of law. Ensuring transparency and accountability in relation to the Government's COVID-19 and TC Harold responses remains a key priority as these responses required the Government to implement emergency procurements, as well as distribute stimulus and/or welfare payments. These disbursements need to be carefully overseen to ensure that they are promoting equity and transparency. For institutional and service continuity in response to social distancing restrictions, efforts should be made to harness alternate services and justice delivery mechanisms, in particular through the use of ICT.

Dialogue, communication and community engagement

Promoting dialogues and social cohesion in a post-COVID-19 Fiji will enable greater inclusion and participation by communities, including meaningful participation of women, persons with disabilities, and young people in decision-making processes. This can expand the social contract and promote inclusive governance and responsive leadership. There is opportunity for the Government of Fiji to directly partner with the UN as it develops and rolls out a community engagement initiative designed to provide a holistic overview of the changing opinions and needs of Pacific communities.⁹

Within communities, while some people indicated that the lockdown period strengthened social cohesion as families and communities came together in lockdown and renewed their bonds, others reported feelings of unease and stress, both as a result of lockdowns and curfews and their enforcement, and health and safety threats more generally, including increased rates of violence against women. Social and cultural participation and inclusion are essential to Fijian

⁹ See Annex 3 "COVID-19 Response and Recovery: A Comprehensive Community Dialogue Initiative supported by the UN"

wellbeing and form the backbone of kinship relations. This is seen in the emergence of stories of families and communities re-building their own local self-sufficiency such as the bartering and sharing of goods and services within communities and *solesolevaki* (collective community efforts), drawing on traditional approaches to food security and the ‘solidarity economy’.

At risk and marginalised groups

Investment and scaled-up support to all sectors of communities, especially women’s groups, will promote community resilience in the short and future long-term development approach in Fiji that *leaves no one behind*. Expanded and more dedicated support and investment to marginalised groups is crucial and more urgent than ever as responses to COVID-19 were experienced by groups differently. Some communities reported that confusion and misinformation in relation to early COVID-19 messaging put a strain on social cohesion by exacerbating community fear.

Young people reported limited access to mental health and psychosocial support services. A survey of 116 young people aged 15-24 years in Fiji led by UNFPA found that 40 percent of young people felt they were more vulnerable because of their age, 33 percent of girls reported they felt more vulnerable due to their gender, and only 10 percent of those surveyed reported receiving assistance from government. Social distancing was seen to put certain groups of persons with disabilities further at risk. This, along with reductions to grants to disabled persons organisations (DPOs), impacted on the service delivery of these organisations and required some organisations to adjust their existing programs and activities.

Some of the most vulnerable communities can be found in urban and peri-urban informal settlements which can be hotspots for COVID-19 transmission due to high densities that prevent physical distancing and limit access to clean water and sanitation, which prevent observation of recommended hygiene measures. A survey conducted by UN-Habitat in 16 informal settlements revealed that 84 percent of households have experienced a loss of income.

Role of cultural institutions and civil society

The country’s vibrant and active cultural institutions are one of the biggest assets for Fiji. However, the contribution of Fiji art and cultural groups to society and economy is currently undervalued, and artisans and cultural groups and institutions have been very hard hit by COVID-19. Artists and artisans have reported a drop-in income of between 40 to 100 percent and cultural institutions reported a loss of revenue from tourism and cuts to their budgets as a result of the reallocation of the government budget towards COVID-19 and TC Harold responses. Tapping into and drawing on the experience and wisdom of these institutions and the many diverse civil society groups in Fiji which have been active in the COVID-19 and TC Harold response will promote broader community engagement. Further expanding partnerships and networks for better policy and decision making is a strategy to deal with the impact of COVID-19 locally, including preventing tension and social-cultural issues in the community.

Key policy recommendations

- **Convene multi-stakeholder dialogues** (bringing together government and customary authorities, women, young people and marginalised groups) to discuss how COVID-19 has

affected people's lives, the values and norms they put into practice, and the actions they took for community wellbeing.

- **Identify good practices and lessons learned to inform the response** to a potential COVID-19 second wave and/or future disaster responses by undertaking an independent review of how the lockdown and curfew orders worked in practice, enforcement approaches, case law and human rights standards.
- **Invest more budget resources into making government services more accessible** through online channels (e-government), including delivering government services online where appropriate (e.g. courts, prisons, telehealth). Initiate a review of relevant policies, by-laws and regulations to guide and facilitate the expansion of online services and e-governance. Ensure access to consistent, reliable and accurate information about COVID-19 in iTaukei, Hindi and minority languages and develop innovative community engagement and messaging through the use of local arts and culture.
- **Support women and young people to access capital funding** from financial institutions and/or government programs and provide specific funding to support women and youth entrepreneurship and leadership, development and mentoring programs, including through the Fiji Parliament. Provide specific government support to civil society groups and the cultural creative sector, including through financial assistance, technical advice and targeted capacity-building aimed at making the sector more resilient by accessing diversified markets and establishing collectives.
- **Mobilise a Culture, Heritage and Arts Sector Recovery Team** to advocate for the needs of the sector and plan for post-COVID-19, in coordination with the Tourism Sector Recovery Team, drawing on the Department of Heritage and Arts (DHA) post-COVID Strategic Plan.
- **Promote transparency through provision of extra budget resources to the Auditor General and Fiji Independent Commission Against Corruption (FICAC)** to undertake specialised investigations in relation to COVID-19 and TC Harold recovery expenditures and consider issuing a regulation under the *Right to Information Act* requiring proactive disclosure of information related to these two responses, in particular, in relation to expenditure of recovery.



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