UNITED NATIONS
PACIFIC

SOCIO-ECONOMIC IMPACT ASSESSMENT OF COVID-19 IN FIJI

FULL REPORT AND RECOMMENDATIONS

JULY 2020

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Acronyms

ADB	Asian Development Bank
C&P	Care and protection allowance
CHE	Current health expenditure
CSO	Civil society organisation
CWM	Colonial War Memorial Hospital
DFAT	Australian Department of Foreign Affairs and Trade
DHA	Department of Heritage and Arts
DPO	Disabled Persons Organisation
DWCP	Decent Work Country Programme
ECCE	Early Childhood Care and Education
ERAB	Employment Relations Advisory Board
ESFT	WHO COVID-19 Essential Supplies Forecasting Tool
FAC	Fiji Arts Council
FBD	Facility-based deliveries
FCEF	Fiji Commerce and Employers Federation
FIBOS	Fiji Islands Bureau of Statistics
FICAC	Fiji Independent Commission Against Corruption
FNPF	Fiji National Provident Fund
FSC	Fiji Sugar Corporation
FTUC	Fiji Trades Union Congress
GDP	Gross Domestic Product
GGE	General Government expenditure
GNI	Gross National Income
GSHS	Global School-based Student Health Survey
HIES	Household Income and Expenditure Survey
ICT	Information communication technologies
ICU	Intensive care unit
IFAD	International Fund for Agricultural Development
IFC	International Finance Corporation
ILO	International Labour Organization
ILS	International Labour Standards
IMF	International Monetary Fund
IoE	International Organisation of Employers
IOM	International Organization for Migration

ITUC	International Trades Union Confederation
JIMT	Joint Incident Management Team
LED	Local economic development
MEPIR	Ministry of Employment, Production and Industrial Relations
MoHMS	Ministry of Health and Medical Services
MSMEs	Micro, small and medium enterprises
NCD	Non-communicable disease
NEP	National Employment Policy
NPIs	Non-pharmaceutical interventions
NTF	National Trust of Fiji
OMR	Overseas medical referral
PAFCO	Pacific Fishing Company
PCR	Polymerase chain reaction
PICs	Pacific Island countries
PPE	Personal protective equipment
PWD	Persons with disabilities
RBF	Reserve Bank of Fiji
SBA	Skilled birth attendance
SDGs	Sustainable Development Goals
SEIA	Socio-Economic Impact Assessment
TC	Tropical Cyclone
UN	United Nations
UNDP	United Nations Development Program
UNESCO	United Nations Educational, Scientific and Cultural Organization
UNFPA	United Nations Population Fund
UNODC	United Nations Office on Drugs and Crime
UNWTO	United Nations World Tourism Organization
VSMT	Visiting specialised medical team
WAF	Water Authority of Fiji
WHO	World Health Organization

Introduction

The Republic of Fiji is an archipelago comprising 332 islands covering a total land area of 18,333 km^2 within 1.3 million km^2 of the South Pacific. In 2017 the total population was 837,271 people, with more than 51 percent of the population residing in urban areas. Fiji is classified as an upper-middle income country by the World Bank, with a gross domestic product (GDP) per capita of $6,267 (current) in 2018. Fiji's economy relies heavily on revenues from tourism, sugar and agricultural exports, and remittances are an important source of household income. Fiji is highly vulnerable to natural disasters and the impacts of climate change, including tropical cyclones, flash floods, droughts, and rising sea levels.

In February 2016, Tropical Cyclone (TC) Winston had a severe impact on the Fijian economy and communities, and Government of Fiji expenditure on recovery efforts amounted to approximately 4 percent of GDP. Geographic isolation, limited resources, and vulnerability to severe and frequent natural disasters pose a significant challenge for the Government of Fiji to deliver basic services for its people, including access to public healthcare and essential services such as water and sanitation and education. Gender inequality is pervasive in Fijian society, and the country has some of the highest rates of gender-based violence globally.

The outbreak of coronavirus (COVID-19) in Wuhan, China in December 2019 has rapidly morphed into an unprecedented health, economic and geopolitical crisis. With over 15 million confirmed COVID-19 cases and more than 600,000 deaths worldwide, the global pandemic is wreaking havoc on the global economy, triggering severe economic downturns, sending shockwaves through stock markets, and leaving millions across the globe without jobs. The World Bank estimates that the impacts of COVID-19 could push 500 million people further into poverty, and the pandemic threatens to reverse many of the development gains achieved over recent decades.

Although Pacific Island countries (PICs) such as Fiji have recorded a smaller number of cases of COVID-19, governments have been quick to implement public health emergency measures including lockdowns, curfews and physical distancing, travel restrictions, and international border closures to prevent imported cases of the virus. The Pacific region, characterised by a strong dependence on tourism revenues has suffered immensely from border closures and lockdowns, with knock-on effects for overall economic activity, supply chain disruptions and job losses. Dampened economic activity and consumer spending has serious repercussions on the development outcomes of PICs and their ability to achieve the Sustainable Development Goals (SDGs).

The COVID-19 pandemic will disproportionately impact the most vulnerable and marginalised groups, including women, children, older people, young people, persons with disabilities, LGBTQI+, single and women-headed households, and poor households. Emergency measures such as lockdowns and curfews restrict autonomy and mobility, women and those with caring responsibilities are burdened with increased unpaid care responsibilities, and rates of gender-based violence are escalating. Women and other vulnerable groups typically employed in the tourism sector or the informal economy are most at risk of a reduction and loss of income, and typically lack access to social protection and safety nets.

The unprecedented nature and impact of the COVID-19 pandemic warrants an immediate response to contain the spread of the virus and stabilise Pacific economies in a resilient and sustainable manner. The Socio-Economic Impact Assessment of COVID-19 in the Pacific, a joint effort between UN agencies and development partners, seeks to present evidence of the impact of COVID-19 on the wellbeing and livelihoods of Pacific Island communities, with a view to informing targeted interventions and resource mobilisation by UN agencies, governments and development partners to ensure we "*leave no one behind"* and "*build back better"*.

The assessment is guided by the UN Secretary General's Framework for the Immediate Socio-Economic Response to COVID-19 which sets out the framework for the UN's urgent socio-economic support to countries and societies in the face of COVID-19, putting in practice the UN Secretary-General's Shared Responsibility, Global Solidarity report on the same subject. It is one of three critical components of the UN's efforts to save lives, protect people, and rebuild better, alongside the health response, led by the World Health Organization (WHO) through the Joint Incident Management Team (JIMT), and the humanitarian response, as detailed in the UN-led Pacific Humanitarian Response Plan (PHRP).

The framework consists of five streams of work connected by a strong environmental sustainability and gender equality imperative to build back better. The five pillars are:

1. Ensuring that essential health services are still available and protecting health systems;

2. Helping people cope with adversity, through social protection and basic services;

3. Protecting jobs, supporting small and medium-sized enterprises, and the most vulnerable productive actors;

4. Guiding the necessary surge in fiscal and financial stimulus to make macroeconomic policies work for the most vulnerable and strengthening multilateral and regional responses; and

5. Promoting social cohesion and investing in community-led resilience and response systems.

The assessment has focused on a series of in-depth assessments guided by the 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 impact on selected sectors and population groups which are disproportionately impacted by the pandemic, and recommends the most effective policy interventions to address the impact of COVID-19.

A Pacific Socio-Economic Impact Assessment (SEIA) Taskforce was established with UN agency leads for each of the five pillars. The analyses drew upon a range of quantitative and qualitative data and formal and informal sources, including literature reviews, high frequency household phone surveys, key informant interviews, and grey literature such as media articles and news coverage. Given that this assessment was undertaken in the early stages of the COVID-19 response, many of the impacts are not yet apparent. As such, in many cases the analysis has relied on estimates, forecasts and scenarios rather than actual data.

A number of tools to support scenario analysis and forecasting were utilised, including the WHO COVID-19 Essential Supplies Forecasting Tool (ESFT) to estimate healthcare demand and essential supplies requirements, and the Spectrum tool (Famplan and List modules) to model the impacts on sexual and reproductive health. In response to the COVID-19 pandemic, the International Labour Organization (ILO) developed a policy framework for tackling the economic and social impacts of the crisis which was used to inform some of the economic policy recommendations. All available data and analysis at the time of writing has been referenced, however it is acknowledged that developments and impacts must be monitored closely, and further efforts are needed to refine and update this assessment.

Pillar 1: Health First – Protecting Health Services and Systems during the Crisis

1.1 Introduction

The world is experiencing the worst crisis in recent history. Being far more than a health crisis, the COVID-19 pandemic is affecting all aspects of societies and their economies, exposing prevailing structural fragilities and deepening pre-existing inequalities in a country. Like other PICs, Fiji's health system is maturing, and is challenged by limited access to some specialised health services and reliance on additional external support to accelerate some areas of infrastructure development. In addition, the country and the health system remain vulnerable to the deleterious impact of natural disasters and climate change.

Fiji is one of the few countries in the Pacific with confirmed COVID-19 cases. As of 24 June 2020, Fiji has reported a total of 18 confirmed cases of COVID-19 and zero deaths. The last reported case in Fiji was on the 20 April 2020, with more than a four-week period of no new COVID-19 cases in the country. The Government of Fiji 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 implemented 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 preparedness and response activities have had significant impacts across all sectors and segments of the population in Fiji.

1.2 Approach

This assessment used a literature review, stakeholders and key informant consultation, data and scenario analysis and forecasting techniques to assess the emerging socio-economic impact of COVID-19. The literature review spanned all available information on the socio-economic impact on Fiji, including formal publications and grey literature.

Scenario analysis and forecasting employed tools from WHO, UN Population Fund (UNFPA) and other sources. The WHO COVID-19 ESFT was used to estimate healthcare demand and potential requirements for essential supplies in response to COVID-19. A reference cost using indicative prices from the COVID-19 Global Supply Chain System was then used to attribute costs to this hypothetical estimate as the nearest surrogate to actual costs. The sexual and reproductive health impacts were modelled using Spectrum tools (Famplan and List modules) using scenarios.

All available data at the time of writing were referenced. It is acknowledged that further work is needed to refine this impact assessment. To guide future actions by the Government of Fiji, UN agencies and other partners, a basket of monitoring indicators based on WHO recommendations is proposed in order to continually monitor the impact of COVID-19 on the health system. While the data required to calculate many of these indicators are routinely collected, there is a need to further strengthen underlying information systems to achieve responsiveness, accuracy and completeness of the information.

This rapid assessment is being undertaken in the early stages of the response, hence the reliance on estimates, forecasts and scenarios rather than actual data. The evolution of the COVID-19 pandemic in Fiji and the Pacific is rapid and continuous, and there will be a need to revise and update the content of this report as more information becomes available. The data and projections presented in this report may be revised accordingly.

1.3 Findings

Overview of Fiji's health systems

The national health system of Fiji is mainly publicly funded and delivered, with a small private sector footprint. The health system covers both public health services and curative health services which are provided at low or no cost to all citizens. User fees are charged for some selected services. Most healthcare workers are salaried government staff.

For public health services, the Ministry of Health and Medical Services (MoHMS) runs decentralised divisional offices for the Central and Eastern (Suva), Western (Lautoka), and Northern (Labasa) divisions. The three divisional offices are responsible for delivery of public health services (e.g. disease control-HIV/AIDS, tuberculosis, and maternal and child health) and operations of the 19 sub-divisional hospitals, 84 health centres, and 98 nursing stations. The sub-divisional hospitals, with an average of 12-40 beds, provide inpatient care and outpatient services within designated areas. Each sub-divisional hospital works with and provides clinical supervision to health centres and nursing stations in the catchment area. A health centre is staffed by a medical officer or nurse practitioner with one or two more nurses, serving as the first level of referral for nursing stations. Each nursing station is managed by one nurse who oversees outreach activities to communities within a designated catchment area.

In terms of curative services, MoHMS manages the operations of the three divisional hospitals: Colonial War Memorial (CWM) Hospital in the Central and Eastern division serving as the national referral hospital, Lautoka Hospital in the Western division, Labasa Hospital in the Northern division and two specialised hospitals (PJ Twomey Hospital for tuberculosis, leprosy and rehabilitation in Tamavua and St. Giles Hospital for mental health). The three divisional hospitals provide inpatient and specialised outpatient care.[1,2] In 2015, the total number of hospital beds in Fiji was 1,726 including 481 beds in the CWM Hospital[3] and 21 intensive care units (ICU). As of 2020 there are 19 ventilators available in Fiji. As of 2015, the number of doctors and nurses was 747 and 2,496, respectively. The number of physicians and nurses with capability of ventilator care was 104 and 10.[4]

Most citizens have a reasonable level of access to basic health services in the public sector; the SDGs universal health coverage indicator for 3.8.1 'service coverage index' was 64.4 percent in 2017; indicator 3.8.2 for 'incidence of catastrophic health expenditure' was 0.8 percent and 0.1 percent at 10 percent and 25 percent of household total consumption or income in 2008, respectively, which was relatively lower compared to other Asia Pacific countries.[5] The total number of outpatient care consultations and inpatient admissions was 984,941 and 77,133 in 2015 respectively.[6]

The minimum package of essential and core reproductive health services are delivered across all levels of the health system. Sexual reproductive health and family planning services and targets

1 Roberts, G., et al., The Fiji Islands Health System Review, ed. J. Tulloch. 2011: World Health Organization Asia Pacific Observatory on Health Systems and Policies.
2 Ministry of Health and Medical Service of the Republic of Fiji, January-July report 2016. 2016, Ministry of Health and Medical Service of the Republic of Fiji.
3 Ministry of Health and Medical Service, Annual report 2015. 2016, Suva: Ministry of Health and Medical Service of the Republic of Fiji.
4 World Health Organization, Briefing Note: Clinical capacities of hospitals in the Pacific Island Countries for international staff and their dependents. 2020, Suva: WHO Representative Office for the South Pacific.
5 World Health Organization and the International Bank for Reconstruction and Development/The World Bank, Primary Health Care on the Road to Universal Health Coverage 2019 Monitoring report, 2019.
6 Ministry of Health and Medical Service, Annual report 2015. 2016, Suva: Ministry of Health and Medical Service of the Republic of Fiji.

have been incorporated into national policies and plans. Access to supervised deliveries is wide and all the divisional hospitals function as comprehensive emergency obstetric and newborn care facilities, while all sub divisional and maternity hospitals can provide basic emergency obstetric and newborn care services. All health centres and nursing stations have sterile equipment for emergency deliveries. According to the recent 2019 Reproductive, Maternal, Newborn, Child and Adolescent Health (RMNCAH) Workforce report, an estimated 2,540 professionals, including 225 nurse midwives, provide RMNCAH related services across the 212 facilities.[7]

Most specialist services are only available at divisional hospitals or in Suva and as such ease of access varies across the country. Moreover, some specialised clinical services, including neurosurgery and radiotherapy, are not routinely available in the public and private sectors in Fiji. For services not available in Fiji, the Government of Fiji provides an overseas medical referral (OMR) program with government subsidies for patients below a certain income level, which are subject to strict processes by the Overseas Treatment Committee.[8] About 150-170 applicants per year can apply for overseas treatment[9], with 60 patients referred for government funded overseas treatment (excluding privately funded overseas care) in 2017. The Government of Fiji spent an estimated total cost of FJD 600,000 with an average cost per referred patient of FJD 9,720.

The Government of Fiji also supports a visiting specialised medical team (VSMT) program which allows for the delivery of further specialised services in country on a periodic basis. In 2017, a total of 32 of VSMT activities were conducted and FJD 106,335 was spent on the program). For OMR and VSMT, there are ongoing challenges including updating guidelines and policies, monitoring quality of services and patient assessment, and in-depth analysis of costs.[10]

Fiji's current health expenditure (CHE) per capita is relatively low and was FJD 188 in 2017. The CHE as a percentage of GDP was estimated at 3.5 percent, and has remained constant at around 4 percent of GDP over the last two decades. The health system in Fiji is mostly funded by the government through general taxation revenue.

Table 1.1. Funding sources of CHE in Fiji in 2017

Funding source	Contribution (%)
Domestic government revenue	66.2
Out of pocket payments	15.6
Voluntary private insurance schemes	13.4
Support from development partners	2.3

Over the past 18 years, domestic general government health expenditure per capita has increased in both nominal and real values with $125 (current) and $214 (Purchasing Parity Power) in 2017. Domestic general government health expenditure as a percentage of general government expenditure (GGE) and GDP has remained constant with 7.2 percent for GGE and 2.3 percent for GDP in 2017 (Figure 1.1). In the fiscal year of 2019/2020, the original budget for MoHMS was allocated at FJD 349.8 million (an increase of FJD 14.84 million over the 2018/2019

7 Nove A, Boyce M. State of the Pacific's Reproductive, Maternal, Newborn, Child and Adolescent Health Workforce. Fiji: UNFPA Pacific Sub-Regional Office; 2019.
8 Ministry of Health and Medical Service of the Republic of Fiji, Annual Operational Plan 2019-2020, 2019, Ministry of Health and Medical Service of the Republic of Fiji.
9 Kim E, Cho YM, Kwon S, Park K. Cost-benefit analysis of establishing and operating radiation oncology services in Fiji. Cancer Epidemiology. 2017;50:247–56.
10 Nossal institute for Global Health, the Pacific Community, and the World Health Organization, Mapping of OMRS and VSMT in Pacific Island Countries: A Pathway for Regional Cooperation towards UHC. 2019.

revised estimates), accounting for 9.1 percent of the total government budget (FJD 3,840.9 million).[11] Fiji compared to the rest of the Pacific has a relatively higher share of current health expenditure coming from out-of-pocket payments.

Figure 1.1. Domestic general government health expenditure as a percentage of GGE and GDP, and external funding for health as a percent of GDP in Fiji from 2000-2017[12]

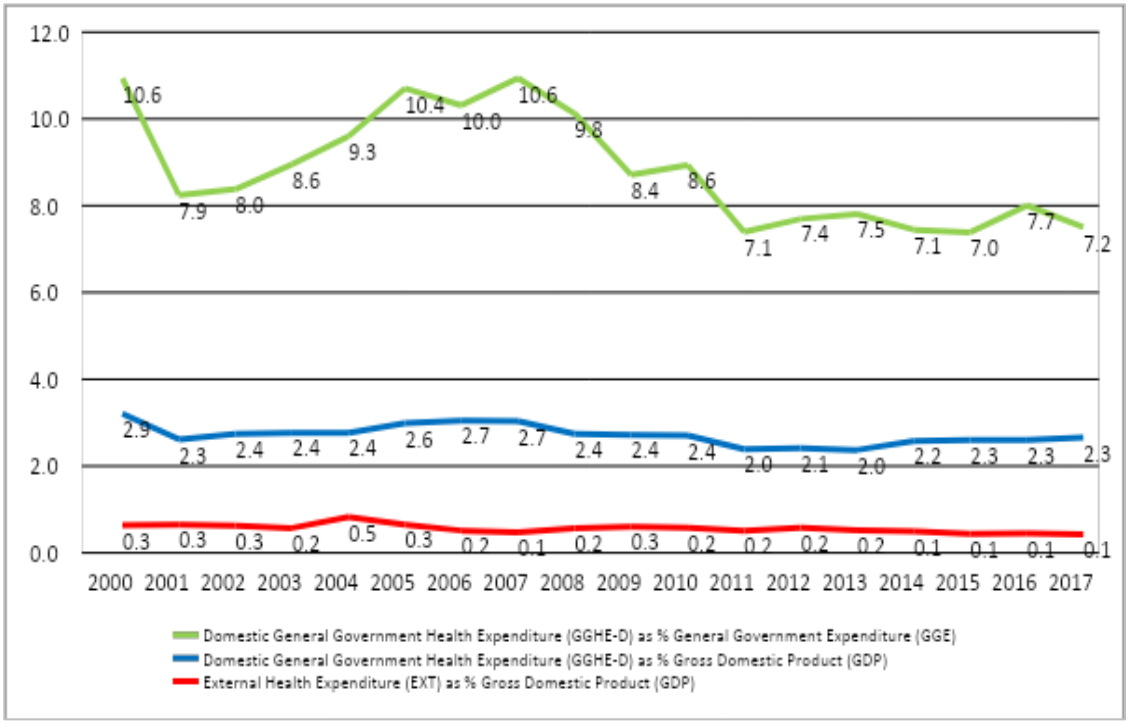
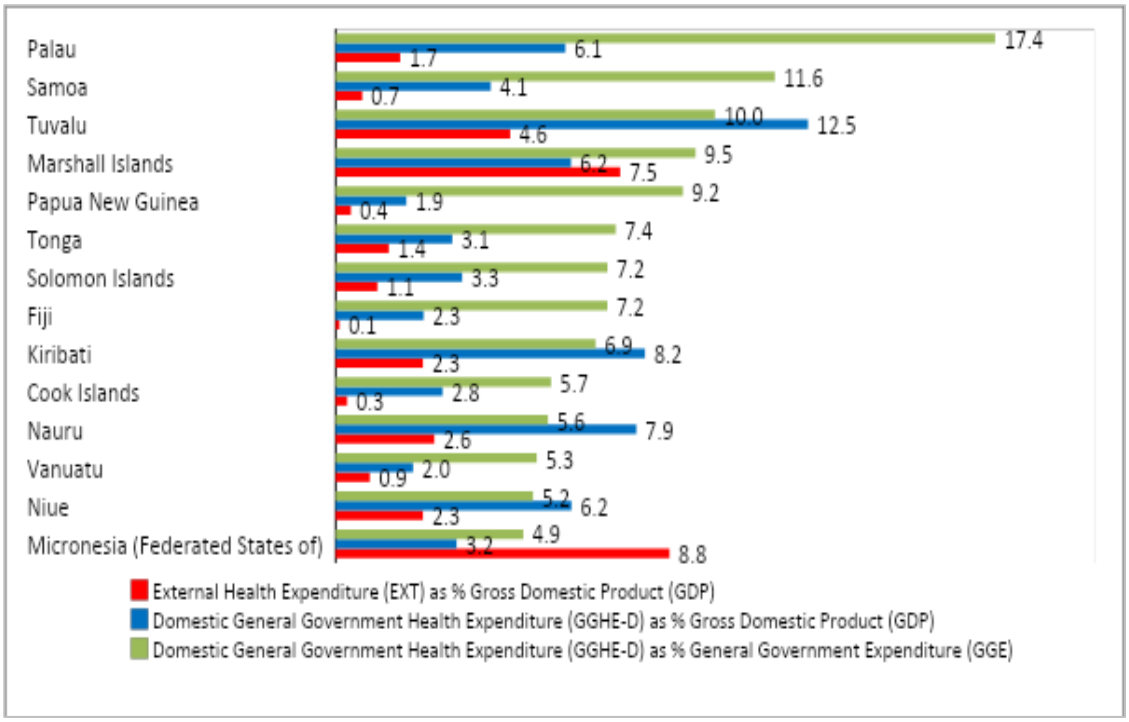


Figure 1.2. Domestic general government health expenditure as a percentage of GGE and GDP, and external funding for health as a percent of GDP in PICs in 2017[13]



11 PricewaterhouseCoopers (PwC), 2019/2020 Fiji National Budget Report 7 June 2019.
12 World Health Organization Global Health Expenditure Database (accessed 29 May 2020).
13 World Health Organization, Global Health Expenditure Database (accessed 29 May 2020).

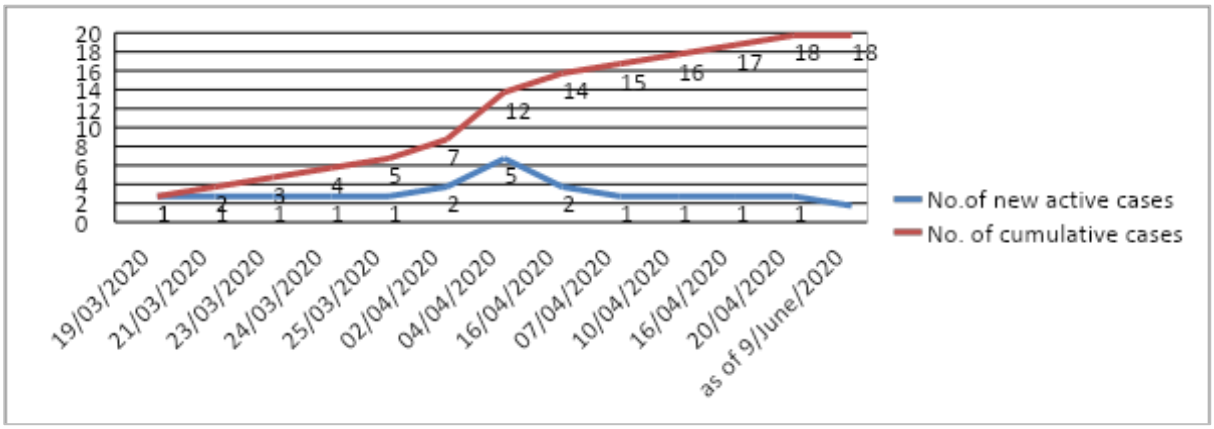
Health system COVID-19 preparedness and response

Box 1.1. Key impacts of COVID-19 preparedness and response activities

- 18 confirmed COVID-19 cases in Fiji as of 24 June 2020.
- FJD 40,000,000 additional funds allocated to the health sector for COVID-19 response for the fiscal year ending 31 July 2020.
- 68 percent of additional budgetary allocation to the health sector covered COVID-19 biomedical supplies.
- 20 percent of additional budgetary allocation to the health sector covered accommodation and meals.
- 2 percent of additional budgetary allocation to the health sector covered facility renovation.
- Additional donor funding of > $100,000,000 pledged to the Government of Fiji for COVID-19 response.
- Government of Fiji pledged FJD 1billion for a COVID-19 stimulus package.
- Ongoing pressure on recurrent budget expenditure line.

Fiji reported a total of 18 confirmed cases of COVID-19 and zero deaths as of 24 June 2020 (Figure 1.3)[14], all COVID-19 patients that were isolated in a hospital were discharged by the 5 June 2020 (100 percent recovery rate). In Fiji, 61 percent (11/18) of the confirmed cases of COVID-19 came from the 20-44 age group, 22.2 percent (4/18) from the 45-64 age group, and 17 percent (3/18) from the 0-19 age group. There were 11 women and seven men.[15]

Figure 1.3. The number of COVID-19 confirmed cases in Fiji as of 24 June 2020[16]



The most recent case was confirmed on 20 April 2020, one week after category 5 TC Harold struck parts of the country. The Government of Fiji made significant efforts to recover the badly-hit regions following TC Harold, while also maintaining existing NPIs for COVID-19. As of 24 June 2020, there have been no new cases found in Fiji, marking more than 60 days without a new case of the virus, even though the Government of Fiji has continued to conduct COVID-19 tests during these weeks.[17]

From the beginning of the response to COVID-19, and up to the time that the first confirmed case of COVID-19 was identified in Fiji on 19 March 2020, the Government of Fiji has taken proactive and effective measures including NPIs, such as school and workplace closure, community quarantine, limiting size of meetings, and restricting travel, stay home for high risk people, teleworking, closure of high risk venues, and personal hygiene; active surveillance and case detection; and appropriate case management using various strategies including fever clinics,

14 http://www.health.gov.fj/statement-by-the-prime-minister-hon-voreqe-bainimarama-on-covid-19-6/.
15 Ministry of Health and Medical Services of Fiji, *Republic of Fiji Situation Report 57*, 26 May 2020.
16 Ministry of Health and Medical Services of Fiji, 2020.
17 http://www.health.gov.fj/statement-by-the-prime-minister-hon-voreqe-bainimarama-on-covid-19-6/.

contact tracing, and supervision and home quarantine to ensure safe delivery of clinical services. Further implemented NPIs included the closure of the international airport (since 26 March 2020), restrictions on domestic travel and public gatherings, school closures (from 23 March 2020 to 15 June 2020 and 30 June 2020 for Year 12 and 13 students), shutdowns of some high-risk businesses (e.g. cinema, gyms), temporary lockdowns of affected areas (Lautoka and Suva), and a nationwide curfew (10pm-5am from 30 March 2020, 8pm-5am from 2 April 2020, 10pm-5pm from 25 April 2020).

A change to curfew hours (now 11pm to 4am from 22 June 2020) and further relaxation of other lockdown measures were announced by the Prime Minister on 21 June 2020 including permission for mass gatherings of up to 100 people from the initial limit of 20 people, re-opening of gyms and public pools including those in hotels, up to 50 percent of seating capacity in cinemas, and Fijian citizens and residents in Australia and New Zealand can now return home after following prescribed safety measures. Students from lower school years are scheduled to return to school from 06 July 2020. Nightclubs remain closed.

The JIMT was established to provide operational management in response to COVID-19, functioning 24 hours per day, seven days per week, with 12-hour shifts for all staff across the six pillars. The six pillars of the JIMT are planning and information, communication, administration and finance, operations, logistics, and donor coordination. The strategic approach to prevention, detection and control of COVID-19 is based on actions outlined in the COVID-19 Preparedness and Response Plan of Fiji. Situation reports for COVID-19 have been developed twice per week (Tuesdays and Fridays). Daily ministerial briefings, daily briefings for the Minister of Health and the Permanent Secretary of Health, JIMT daily meetings at 8:30am, and weekly COVID-19 taskforce meetings have been conducted during most of this period.[18] On 15 April 2020, the Prime Minister declared a state of natural disaster in response to the COVID-19 pandemic, which allowed the government to access additional resources and exercise special powers, expiring on 15 May 2020.

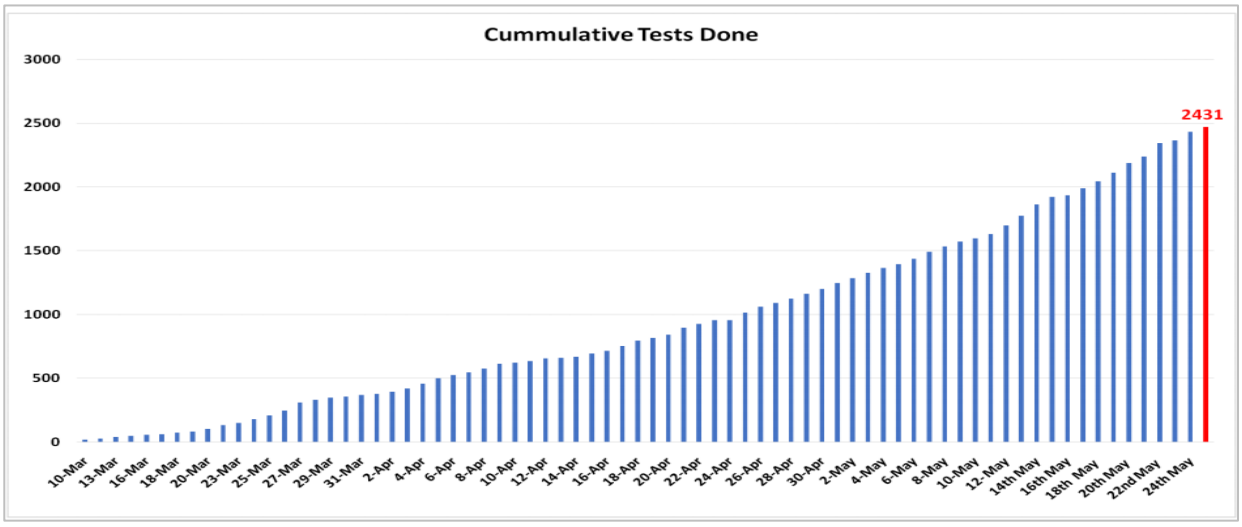
On 20 March 2020, the Government of Fiji established two fever clinics in Lautoka for COVID-19 testing; since then, more fever clinics have been in operation around the country, most of which are open from 8am to 4pm, Monday to Sunday. In early April 2020 when there were seven confirmed cases of COVID-19, the Government designated eight COVID-19 isolation facilities including five hospitals (CWM Hospital and Navua Hospital in the Central division, and Nadi Hospital, Lautoka Hospital, and Ba Mission Hospital in the Western division) and three community isolation facilities (Forestry Training Centre in the Central division; Nadi Special School and Natabua High School in the Western division). The three community isolation facilities are in place to be activated when divisional and sub-divisional isolation facilities reach their capacity. COVID-19 patients who are stable can be transferred to these community isolation facilities for further monitoring and care in order to reduce the burden on hospitals.[19] As of mid-May 2020, six hospital isolation sites (five hospitals mentioned above and Labasa Hospital in the Northern division) with 84 beds dedicated for COVID-19 cases and one community isolation facility are in place.[20]

As of 26 May 2020, the Government of Fiji has set up 42 fever clinics across the country to identify early symptoms and prevent the spread of COVID-19.[21] The mobile fever clinic teams have been operating across the country; the ones operating in Suva and greater Suva areas almost achieved COVID-19 fever screening targets for the 150,000 people they intended to screen by 16 April 2020, with 121,304 people screened.[22] As of 26 May 2020, a total of 809,704 individuals have

18 Ministry of Health and Medical Services of Fiji, *Republic of Fiji Situation Report 57*, 26 May 2020.
19 http://www.health.gov.fj/media-centre/novel-coronavirus-covid-19/media-releases/.
20 Ministry of Health and Medical Services of Fiji, *Republic of Fiji Situation Report 57*, 26 May 2020.
21 Ministry of Health and Medical Services of Fiji, *Republic of Fiji Situation Report 57*, 26 May 2020.
22 http://www.health.gov.fj/moh-close-to-achieving-covid-19-fever-screening-target/.

been screened through the mobile fever clinics; a total of 17,348 individuals were screened at the stationary fever clinics. Ten sentinel sites collected a total of 468 swabs. A total of 2,472 Polymerase Chain Reaction (PCR) tests have been performed as of 26 May 2020; on average, 33 tests per day were conducted over the period of 70 days since COVID-19 screening was started (Figure 1.4), although the rate at which tests are being conducted has recently increased to more than 100 per day.[23] Fiji has been able to undertake tests for COVID-19 at the molecular laboratory at the Fiji Centre for Disease Control since March 2020. There is also additional capacity to undertake GeneXpert COVID-19 testing. The costs of these preparedness and response activities are not yet available.

Figure 1.4. Cumulative number of laboratory tests conducted in Fiji as of 26 May 2020[24]



The Government of Fiji also established 14-28 day quarantine protocols, and pays for accommodation and meals for Fijians returning from overseas. Fijians returning from overseas will enter at least 14 days of quarantine in government funded facilities upon their arrival into the country. At the end of the initial 14 day period, if the passenger tests negative for COVID-19, they can complete the quarantine for the remaining 14 days at home.[25] The *Public Health Regulation* states that any breach of quarantine protocols incurs fines of up to FJD 5,000 fine or five years imprisonment, or both. Lockdowns in Suva have now been ended after extensive screening in Suva.[26] Immediate estimates of cost are unavailable at the time of compiling this report.

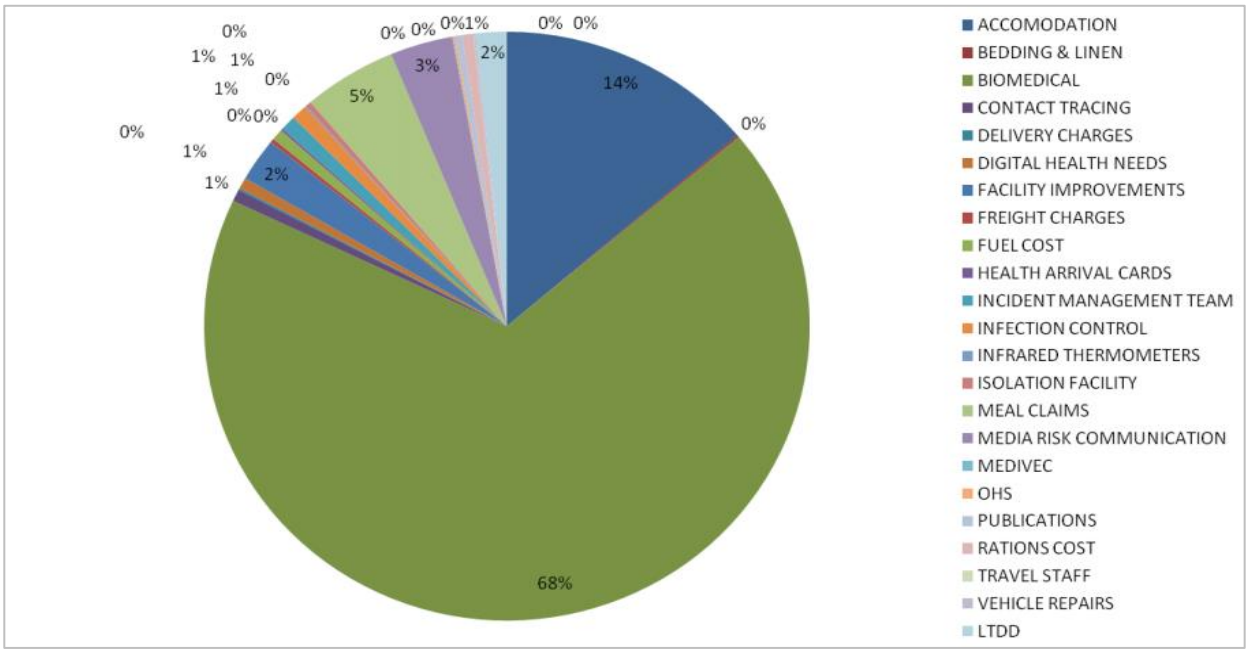
Under the 'digitalFIJI' initiative, the Government of Fiji has developed an app called 'careFIJI', which was launched on 21 June 2020. The app will be complementary to the contact tracing system (called SORMAS) to facilitate any future contact tracing while protecting the privacy of the user. The careFIJI app used the same technology that has been adopted by millions of Singaporeans and Australians in their response to the COVID-19 pandemic. It was expected that this would also give tourists some confidence that Fiji has COVID-19 under control.[27]

Even before the first case of COVID-19 in Fiji was confirmed on 19 March 2020, the Government of Fiji allocated funding for COVID-19 preparedness and response, including mandatory centralised quarantine, and testing and treatment for COVID-19 patients. The major funding has gone to biomedical supplies (68 percent), accommodation (14 percent), meal claims (5 percent),

23 Ministry of Health and Medical Services of Fiji, *Republic of Fiji Situation Report 57*, 26 May 2020.
24 Adapted from the Republic of Fiji JIMT Situation Report 57, 26 May 2020.
25 http://www.health.gov.fj/statement-by-the-prime-minister-hon-voreqe-bainimarama-on-covid-19-6/.
26 Pacific Humanitarian Team, *Pacific Humanitarian Team COVID-19 Response Plan,* 2020. Pacific Humanitarian Team.
27 http://www.health.gov.fj/statement-by-the-prime-minister-hon-voreqe-bainimarama-on-covid-19-6/.

media risk communication (3 percent), facility improvements (2 percent), and leptospirosis, typhoid, dengue and diarrhoea (2 percent) (Figure 1.5).[28]

Figure 1.5. Total financial utilisation by category in Fiji as of 26 May 2020 (%)[29]



Multilateral and bilateral partners provided funding and in-kind support in order to contain and recover from COVID-19. For example, the Asian Development Bank (ADB) provided up to $100 million on top of its previously-pledged funding of $100 million. The World Bank also offered FJD 5.5 million in support of COVID-19 facilities in Fiji. In addition, the Government of Fiji's COVID-19 donor trust fund for COVID-19 assistance has received contributions from the New Zealand and Australian Governments. The New Zealand Government provided NZD 3 million in cash, and the Australian Government donated AUD 1.5 million in combined cash and in-kind assistance. The Australian Government has committed an additional AUD 10.5 million to the fund.[30] Fiji has also received significant donations from partners of specific COVID-19 related items, including personal protective equipment (PPE), testing supplies and hand sanitiser.

The WHO-led JIMT for COVID-19 was launched in January 2020 by humanitarian and development partners, including ADB, Australian Department of Foreign Affairs and Trade (DFAT), World Bank and others to support COVID-19 preparedness and response in the PICs. The JIMT leverages the capacities and resources of its partners through a central coordination mechanism. WHO is leading the validation of planned procurements of medical and non-medical supplies in line with country requests, consolidating and streamlining procurement, and supporting the distribution of medical equipment (including GeneXpert machines) and supplies in the Pacific.[31,32] WHO has delivered over 32,000 items of PPE and over $100,000 worth of PCR (laboratory) and GeneXpert testing supplies to support Fiji's COVID-19 response. Additional supply of testing kits and other medical supplies to Fiji are planned. WHO also deployed a full-time technical officer to support the Fiji COVID-19 Emergency Operations Centre.[33]

28 Ministry of Health and Medical Services of Fiji, *Republic of Fiji Situation Report 57*, 26 May 2020.
29 Adapted from the Republic of Fiji IMT Situation Report 57, 26 May 2020.
30 https://www.fiji.gov.fj/Media-Centre/Speeches/2020-COVID-19-BUDGET-RESPONSE-ADDRESS-BY-THE-ATTOR.
31 https://www.who.int/docs/default-source/wpro---documents/dps/outbreaks-and-emergencies/covid-19/covid-19-external-situation-report-13.pdf?sfvrsn=604af9a9_2.
32 https://www.who.int/docs/default-source/wpro---documents/dps/outbreaks-and-emergencies/covid-19/covid-19-external-situation-report-15.pdf?sfvrsn=96beb648_2.
33 https://www.who.int/fiji/news/detail/05-05-2020-who-continues-its-support-to-fiji-s-response-to-covid-19.

Box 1.3. Key impacts of COVID-19 on health financing

- Overall reduction in revenues, and consequently fiscal space for health.
- Reduced health service utilisation paid for through out-of-pocket payments because of reductions in income.
- Reduced utilisation likely to have impact on deferred healthcare costs due to complications (difficult to estimate at this stage and requires active monitoring).
- Likelihood of higher requirements for development partner funding support to maintain essential services.
- Cost of minimum essential supplies could reach 5.5 million for first three months at the peak of the pandemic.

Government budgets

The continuing uncertainty of the level of ongoing costs and expenditure in the health sector will have a major impact on government fiscal planning and operational planning within the health sector. Estimates of additional costs of operating the Health Emergency Operations Centre, conducting contact tracing, establishing additional service outlets such as fever clinics, procurement of equipment and supplies, and funding reallocation to the health sector are not yet available.

In response to COVID-19, the Government of Fiji needed to identify additional budget to improve core health system functions. Priorities including recurrent financing, support to new services and delivery outlets, and operational governance are critical to a successful COVID-19 response while continuing to provide safe and equitable essential health services.[34] The response to COVID-19 is not over, and the Government will need to continually reprioritise and reprogram existing budgetary resources. Such re-prioritisation exercises are likely to continue into the 2021/2022 fiscal year, with potential impacts on the ability to deliver health services other than those required for the COVID-19 response.

On 26 March 2020, the Government of Fiji announced a FJD 1 billion COVID-19 stimulus package, valued at 8.7 percent of its GDP. In addition, the Government has committed an additional FJD 40 million to improve the health system's capacity to respond to COVID-19, on top of the 2020/2021 fiscal year health sector budget of FJD 349.8 million, and will redirect financial resources to support health workers. The additional health sector budget will be used to fund PPE and medical supplies for frontline workers, including thermal scanners, face masks and ventilators; fever clinic operations, contact tracing teams, public awareness campaigns, emergency medical response and other COVID-19 preparedness plans.[35]

Furthermore, the Government of Fiji introduced a VAT exemption on imports for a broad range of medical supplies and equipment, including hand sanitisers and ethanol for the production of hand sanitisers, antibacterial hand wash, gloves, masks, face shields, paper bed sheets and vaccines. The *Customs Tariffs Act* was also amended to reduce import duties on essential medical supplies

34 https://p4h.world/en/who-priorities-health-financing-response-COVID-19.
35 https://www.fiji.gov.fj/Media-Centre/Speeches/2020-COVID-19-BUDGET-RESPONSE-ADDRESS-BY-THE-ATTOR; Customs Tariff (COVID-19 Response) (Amendment) Act 2020 (Fiji) (http://www.parliament.gov.fj/wp-content/uploads/2020/03/Act-7-Customs-Tariff-COVID-19-Response-Amendment.pdf; accessed 15 June 2020).

to zero percent, allowing the private sector (this was already in place in the public sector) to import more of these goods and provide medical supplies to the public at low cost.[36,37]

Healthcare costs

In the absence of expenditure reports in the initial stages of the outbreak, the WHO EFST is a useful tool to estimate the projected costs for COVID-19 essential supplies. Using this tool[38], the essential supply requirements for Fiji could reach an estimated $5,501,207 over an initial 12-week peak period. This estimated figure for the 12-week period represents approximately 3.4 percent of the FJD 349.8 million annual health budget for fiscal year 2019/2020. This indicative estimate is based on a low to medium attack rate of up to 5 percent of the population infected over a 12-week period. The projections take into account provision of PPE, diagnostic tests and biomedical equipment for case management, essential drugs for care and other medical supplies.[39]

It is important to clarify that this is a hypothetical scenario, and not a prediction. It is a theoretical estimate of the cost to government revenues for a modelled potential peak in the number of cases. In reality such peaks could be avoided, as is evident in the response in Fiji so far. With continued implementation of NPIs, it is expected that the transmission and infection rate, number of cases and PPE requirements will be lower than this estimate. The cumulative cost impact beyond this period would depend on the evolution of the disease and the effectiveness of containment measures. The tool does not account for all capital investments or existing facilities in the estimates provided.

Healthcare revenues

User fees for public services were imposed by regulation under the *Public Hospitals and Dispensaries Act*. Modest user fees are charged to residents for some basic and selected services, with higher fees applying for non-residents. Even at the higher levels proposed in the last decade, revenue generated amounted to an average of about 1 percent of total health expenditure.[40] It is envisaged that disruptions due to COVID-19 are likely to result in minimal disruption to revenues from user fees.

There is a potential risk of significant reductions in healthcare utilisation funded through out-of-pocket funds because of the impact of COVID-19 on household income; however, estimates of income reduction are not yet available. Reduced service utilisation is likely to have an impact on deferred healthcare costs because of complications due to late presentation, or late diagnosis.

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36 https://www.fiji.gov.fj/Media-Centre/Speeches/2020-COVID-19-BUDGET-RESPONSE-ADDRESS-BY-THE-ATTOR.
37 https://www.frcs.org.fj/wp-content/uploads/2020/03/COVID-19-Revenue-Policies.pdfhttps://www.frcs.org.fj/wp-content/uploads/2020/03/COVID-19-Revenue-Policies.pdf.
38 Based on a SIR model (R0 2.35) with a 5 percent attack rate over the 12 weeks when the country has one confirmed case; a targeted testing strategy where only 10 percent of suspected/mild/moderate cases will be tested, while all required severe and critical cases will be tested; infectious period, 7 days; current average contacts per person per day, 11; probability of infection per contact between susceptible and infected persons, 3.07 percent; total number of health workers (doctors and nurses) was 3,243 (doctors 747, nurses 2,496) based on the current available WHO DPS data; percentage of HCW not activated for COVID-19 care was 20 percent, percentage of treating hospitalised COVID-19 inpatients, 70 percent, and percentage of health workers screening and triaging suspected COVID-19 cases, 10 percent; the number of hospital beds was 2,061 (World Bank estimates in the tool) with ICU beds for critical patients at 21 (WHO DPS data), and 80 percent of the total beds were allocated to COVID-19 care. A SIR model is a compartmental model commonly used in infectious disease forecasting. The population is divided into three compartments, Susceptible, Infectious, and Removed. The SIR model here has a simple deterministic structure. R0 stands for the reproduction number, i.e. the number of persons infected by each case. This is a hypothetical scenario with no NPIs applied, highlighting additional costs for essential consumables for a fiscal quarter. It is about cost of additional consumables and key equipment for COVID-19 assuming other basic items are in place. Attack rate may be higher or lower, this represents minimum assumption for stock levels to have in place as part of preparedness, which would be additional costs on the system. Assuming NPIs work, then this will not be the figure required every three months for a long period. However, the impact will change from cost of medical supplies to impact of NPIs which leads to the next section for scenario analyses of COVID-19.
39 https://www.who.int/emergencies/diseases/novel-coronavirus-2019/technical-guidance/covid-19-critical-items.
40 Irava W. Fiji Living HiT Update: Chapter 3. Health Financing. New Delhi: Asia Pacific Observatory on Health System and Policies; 2014.

These impacts are currently difficult to estimate. Continuous monitoring of access to essential services is critical in this regard and a set of monitoring indicators is recommended in Annex 1A.

Stress on the economy due to reduced revenues from tourism, and the impact of natural disasters such as TC Winston (2016) and TC Harold (2020), are likely to have an impact on the ability of the government's ability to earmark additional funding for the health sector.

Development assistance

External funding from development partners accounted for 2.3 percent of CHE in 2017,[41] most of which went to preventive health services such as immunisation, surveillance, and disease control programs.[42] There is likely to be continuing need for funding support from development partners at a higher magnitude in order to maintain the delivery of essential public health services in Fiji. The economic impacts of the crisis due to restrictions on the movement of people, physical distancing restrictions and reductions in tourism are likely to have a negative impact on the health system. It is recommended that the government considers undertaking regular monitoring of the consequences of COVID-19 on healthcare financing using the key indicators in Annex 1A.

Box 1.4. Potential impacts on Fiji's health system

- Fiscal space for health is likely to be limited due to the global economic crisis generated by COVID-19. For Fiji, the sharp decrease in revenue from tourism, service sectors and remittances will have a substantial impact on overall government revenue.
- Domestically, the prioritisation of COVID-19 preparedness spending, including procurement of PPE and medical supplies and implementation of NPI measures, may lead to the contraction of non-COVID-19 health spending as the fiscal space decreases.
- As development partners are re-purposing funding for the COVID-19 response, there may be funding gaps for non-COVID-19 health programs.
- Evidence from previous economic crises indicates that funding for prevention activities was usually reduced.
- Operational costs of healthcare delivery may increase due to adaptations required for NGP measures required to prevent COVID-19 spread in health facilities, including physical distancing and higher demand for infection prevention control measures such as handwashing stations and sanitisers.
- Due to unemployment and/or loss of income, the poor may suffer more from financial barriers in access to healthcare due to direct medical costs (e.g. user fees) and indirect costs (e.g. transportation).

41 World Health Organization, Global Health Expenditure Database (accessed 29 May 2020).
42 Ministry of Health and Medical Service of the Republic of Fiji, *Fiji Health Accounts National Health Expenditure 2011-2015,* 2016, Ministry of Health and Medical Service of the Republic of Fiji.

Impact of COVID-19 on service delivery and access to care

Box 1.5. Key impacts of COVID-19 on service delivery and access to care

- Increased care demands for COVID-19 patients.
- Disruption to essential health services including non-communicable disease (NCD) care management and sexual and reproductive, maternal, newborn, child and adolescent health services.
- Potential disruption access to supplies and commodities including family planning services.
- Potential financial barriers to access due to loss of income.
- In Fiji, informal reports suggest negative impacts of the Suva lockdown on diabetic care. While awaiting verified data, estimates from a global simulation undertaken for Fiji indicate potential for disruption to services.
- Modelled estimates of service backlogs for surgery and obstetric care could take one year to clear post-COVID-19.

Patient flow and service readiness

Globally, many health systems are being overwhelmed by the response to COVID-19. Nevertheless, it is important to maintain essential health service delivery by establishing effective patient flow, such as triage and targeted referral of COVID-19 and non-COVID-19 patients, in order to mitigate the risk of the health system collapsing.[43]

Preliminary evidence indicates essential services have been directly and indirectly disrupted due to COVID-19 globally. In the preliminary results of a rapid assessment of service delivery for NCDs during COVID-19 by WHO (awaiting publication), 120 countries reported that NCD services are disrupted, particularly rehabilitation services, hypertension management, diabetes and diabetic complications management, asthma services, palliative care services and urgent dental care (Figure 1.6). The primary causes of NCD service disruption included a decrease in inpatient volume due to cancellation of elective care and closure of population-level screening programs, and government or public transport lockdowns hindering access to health facilities.[44]

In PICs the main cause of disruption to health services is reduced attendance to facilities even when services are open (Figure 1.7). Furthermore, in PICs government policies appear to have limited impact on access to outpatient care, pre-hospital and emergency services. In other WHO member states in the Western Pacific Region, cancellation of elective care was worse because of lockdowns. Stock levels for NCD medications are also being monitored closely due to reduced transportation options globally.

43 UN, A UN Framework for the immediate socio-economic response to COVID-19, April 2020, UN.
44 World Health Organization COVID-19 and NCDs: Preliminary results of rapid assessment of service delivery for NCDs during the COVID-19 pandemic, 18 May 2020.

Figure 1.6. Reported causes of disruption to essential health services during COVID-19

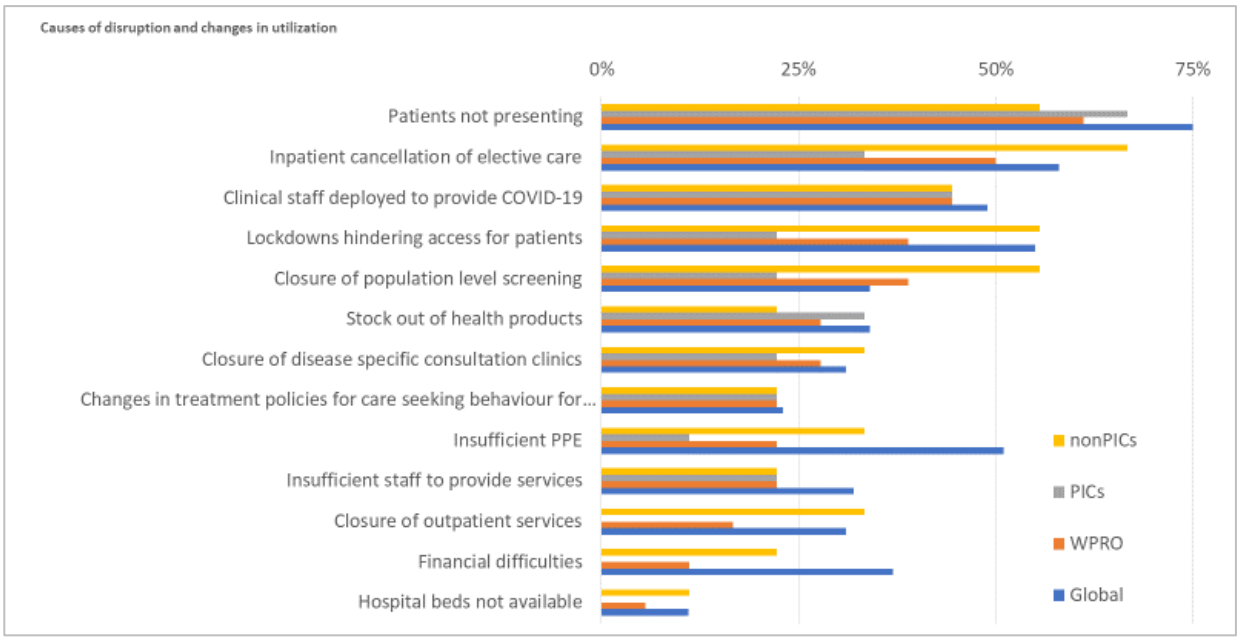
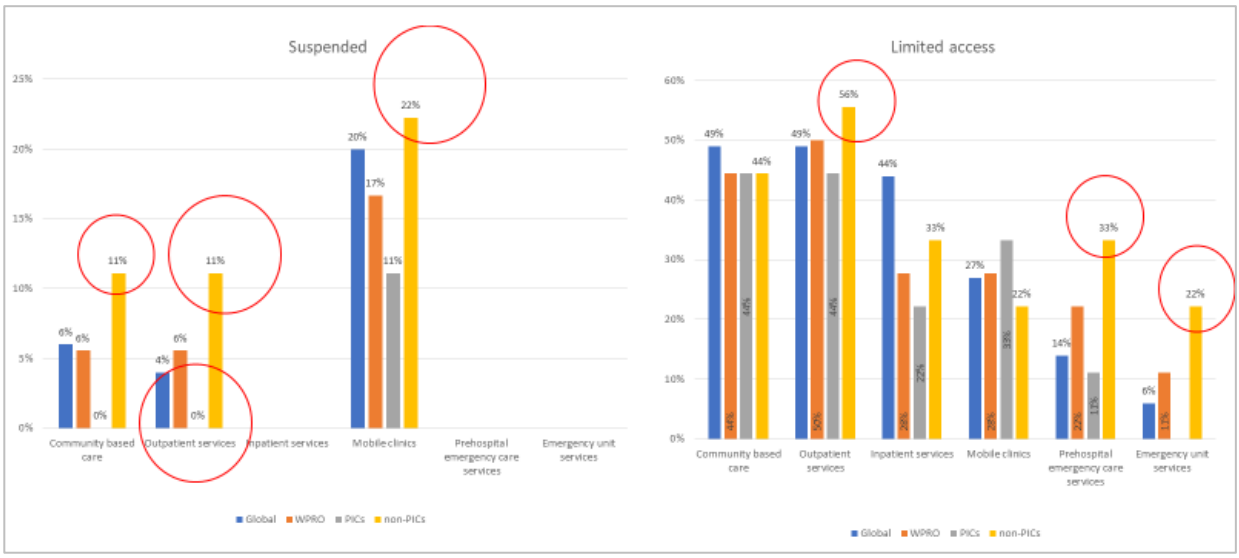


Figure 1.7. Government policies and interventions across service types during COVID-19



UNFPA estimates 47 million women in 114 low and middle income countries may not be able to access modern contraceptives, and seven million unintended pregnancies are likely to occur if lockdowns carry on for six months and there are major disruptions to health services.[45] Recent reports of increases in gender-based violence and sexual exploitation and abuse, which put related services for prevention and response under pressure, highlight the worsening of existing gender inequities as a result of the pandemic. Risks of violence are highly likely to grow as a result of restrictions on movement, combined with the fear, tension and stress related to COVID-19, and the negative impacts on household incomes.[46]

Fiji made efforts to establish effective patient flow and took steps to inform the public of changes in the services offered and relocation of services through various means including bulk SMS messages and TV and radio messaging. The MoHMS relocated special outpatient services to

45 Coronavirus Disease (COVID-19) Pandemic UNFPA Global Response Plan. https://www.unfpa.org/resources/coronavirus-disease-covid-19-pandemic-unfpa-global-response-plan.
46 Ibid.

ensure optimal access to care for COVID-19 patients while continuing essential service delivery as far as practicable.

In April 2020, Labasa Hospital repurposed other nearby facilities to serve as outpatient clinics for several specialties in order to ensure the safe delivery of essential care. Some services were curtailed, for example inpatient NCD management services were open for emergencies only, hospital visiting hours were limited to 11am to 12pm daily, and only one visitor was allowed per non-COVID-19 patient.[47] NCDs, family planning outpatient services and antenatal care services have also been decentralised from the CWM Hospital in Suva to peripheral health centres. Furthermore, CWM Hospital clients have been provided with multi-month drug supplies and contraceptive commodities and are being directed to specific health facilities or community stations to access services.

It remains important to balance the demands of scaling up services related to the COVID-19 response with the need to maintain routine service delivery of other essential health services including childhood immunisation and other child health services, sexual and reproductive health services, safe deliveries and neonatal care, emergency surgeries, access to essential medicines and palliative care.[48]

Deferred service impact

Given some levels of geographical difficulties in access to essential health services over the years, the Government of Fiji intervened to improve the access to essential health services in rural areas and hard-to-reach areas by decentralising clinical and public health services, and strengthening outreach activities in key areas.[49] However, like other PICs facing the COVID-19 pandemic, Fiji has temporarily postponed public screening programs for NCDs campaigns and outreach activities for NCDs, and mass communication campaigns. Rehabilitation and palliative care services were partially disrupted during the pandemic in Fiji, because of the closure of outpatient NCD services in line with government directives and outpatient disease specific consultation clinics.

The COVID-19 pandemic has caused major disruptions to routine hospital services globally. During the pandemic, hospitals have decreased elective surgery for patient safety and are supporting efforts to implement NPIs. A study undertaken by COVIDSurg Collaborative et al. (May 2020) using data from Wuhan China, expert opinion and regression analysis, estimated the proportion and absolute numbers of cancelled elective surgery over a 12-week period of peak disruption due to COVID-19.[50] The study showed that the overall 12-week cancellation rate for benign surgery, cancer surgery and caesarean sections would be 72.3 percent; 81.7 percent for benign surgery, 37.7 percent for cancer surgery, and 25.4 percent for caesarean sections, respectively.[51]

For the Pacific, using global estimates from simulated and not actual service data, the estimated 12-week cancellation rate for benign surgery, cancer surgery and caesarean sections would be 71.9 percent; 80 percent for benign surgery, and 50.8 percent for cancer surgery. In Fiji, the estimates are 80.4 percent for benign surgery, 52.3 percent for cancer surgery, and 27.1 percent

47 http://www.health.gov.fj/media-centre/novel-coronavirus-covid-19/media-releases/.
48 World Health Organization, *Maintaining essential health services: operational guidance for the COVID-19 context,* 1 June 2020. Geneva: World Health Organization.
49 Ministry of Health and Medical Service of the Republic of Fiji, *Annual Operational Plan 2019-2020,* 2019, Ministry of Health and Medical Service of the Republic of Fiji.
50 For more information on the methodology of the study, please see COVIDSurg Collaborative et al. 2020.
51 COVIDSurg Collaborative et al., *Elective surgery cancellations due to the COVID-19 pandemic: global predictive modelling to inform surgical recovery plans*, 2020. British Journal of Surgery.

for obstetrics. It could take up to one year or more for Fiji to clear such a backlog (see Table 1.2).[52]

Table 1.2. Estimates of potential elective surgery cancellation due to COVID-19 in Fiji, in the event of a significant outbreak[53]

Cancellation rates during peak 12 weeks of disruption due to COVID-19	Benign surgery	80.4%
	Cancer surgery	52.3%
	Obstetrics	27.1%
	Overall	74.0%
Absolute numbers of cancelled operations over peak 12 weeks of disruption due to COVID-19	Benign surgery	1,864
	Cancer surgery	191
	Obstetrics	39
	Overall	2,095
Post-pandemic backlog	Based on 12 weeks of disruption, excludes cancelled obstetric cases	2,056
Normal (pre-pandemic)	Weekly surgical volume, excluding obstetrics	224
Weeks to clear backlog	10 percent increase on baseline surgical volume	92
	20 percent increase on baseline surgical volume	46
	30 percent increase on baseline surgical volume	31

Although this study provides some insight into estimates of elective surgery cancellations and the impact on the health system, there are limitations in terms of its significance, particularly for PICs. For example, the expert response study gathered projections based on cancellations during the ongoing pandemic or from past experiences. Out of all PICs, Fiji was the only country to have contributed submissions to the expert response study. It is unknown how representative these data are and how significant the results may be for those who have not yet had a case of COVID-19. There is also no known surgical volume data on any of the PICs, as surgical volume data used in the study were taken from 2015 estimates provided by another report at the time.

Vulnerability and access

Although the level of out-of-pocket payments is relatively low in Fiji, it is important to monitor the potential impact of anticipated reductions in household income on health seeking behaviours. The impact of COVID-19 on health service access for vulnerable groups requires continuous monitoring. Groups such as women, children, adolescents and youth, persons with disabilities, older people, the poor, and other minority groups are likely to be disproportionately affected by COVID-19 containment and mitigation measures such as home isolation, quarantine, and lockdown. Anecdotal reports suggest that COVID-19 has significantly impacted health seeking behaviours. Informal estimates suggest significant reductions in the use of the diabetic care centre in Suva, with close to half of appointments missed by patients during the lockdown. Fear of contracting COVID-19 also reduced service utilisation initially; it is unclear if this reduction in utilisation still exists. An increase in the number of amputations secondary to diabetes complications at CWM Hospital have also been informally reported. An estimated overall decline

52 Ibid.
53 Ibid.

of 20 percent in utilisation of services has been reported.[54] Currently, no routine monitoring data is available to estimate the impact on health in Fiji.

Impact on young people

Preliminary findings from a survey on the impact of COVID-19 on young people aged 14-25 across 14 PICs[55] suggest that young people are taking responsibility for their health and wellbeing. However, the findings make a case for a greater focus on mental health and psychosocial support services as a key component in post-COVID-19 pandemic recovery efforts. Key findings from Fiji respondents are provided in Box 1.6. These findings will contribute to a better understanding of the 'new normal' from the perspective of young people, including their unique needs and preferred coping mechanisms, and will guide youth-responsive programming by different stakeholders. The survey highlights the agency of young people as they cope with the pandemic, and gave them an opportunity to influence this rapid COVID-19 socio-economic impact assessment initiative led by the United Nations (UN).

Box 1.6. Youth speak: preliminary survey results

In Fiji, 116 young people (55 percent women and girls) aged 15-24 years took part in a survey on the impact of COVID-19 on young people. The survey was offered through online and offline channels from 02 to 25 June 2020. 73 percent of respondents were in the age group of 20-24 years, and 16 percent of respondents self-identified as from the LGBTQI+ community. Preliminary findings suggest that the majority (95 percent) of young people were taking precautions to stay infection-free. Only 3 percent agreed with the myth that young people cannot become infected with COVID-19. It may be noted that the majority of the respondents were making efforts to take care of their mental health and emotional wellbeing through a range of activities, including staying connected with family and friends, nurturing a hobby, regular exercise and seeking information from reliable sources. However, 28 percent of respondents reported they felt anxious most of the time. Approximately 42 percent of respondents reported that the quality and access to health services remains unchanged or has improved. At least one third reported that mental health and psychosocial support services were either not available and / or people did not know about them.

Workforce and frontline workers

It is important to maintain an optimal healthcare workforce during the COVID-19 pandemic response. Any loss of precious healthcare workforce capacity would have a negative effect on Fiji's ability to respond to COVID-19. There has been no report of increased transmission of COVID-19 among healthcare workers in Fiji. Continued vigilance, strict adherence to care and infection control protocols and training is paramount. Staff serving in fever clinics have been repurposed from other primary health care services potentially leaving service gaps for service areas such as NCD and foot care clinics. While it is difficult to fully estimate the impact of COVID-19 on access to healthcare at this early stage, government monitoring of indicators outlined in Annex 1A is recommended.

54 UNFPA Pacific Sub-Regional Office/MHMS (2020) SRH Services Analysis).
55 UNFPA Pacific Sub-Regional Office in collaboration with diverse youth networks, the Pacific Disability Forum and the UN sister agencies (UNRC, OHCHR, UNAIDS, IOM, ILO, UNICEF, UNDP, UNESCO, UN Women), SPC and the Pacific Girl with the support of development partner, New Zealand, launched a survey in June 2020 for Pacific young people in the age group of 15-24 years to share their impressions and observations on how the COVID-19 pandemic has influenced their lives.

Scenario analysis of impact of COVID-19 in Fiji

Box 1.6. Scenario analysis on key impacts of COVID-19 on health system capacity

- Combined with effective implementation of NPI measures, the currently available hospital beds, including 21 ICU beds, can support care for 260 known COVID-19 cases during a peak initial week and cumulatively 859 cases over a simulated 12-week period without being overwhelmed, based on theoretical estimates.
- Five additional ICU beds could increase care capacity to 330 known COVID-19 cases during a peak initial week and 1,061 cumulatively over a simulated 12-week period.
- Effective NPI interventions represent the best line of defence coupled with investment in health system capacity to ensure adequate COVID-19 care and maintenance of essential services.

The WHO ESFT is used to estimate the maximum COVID-19 cases the current health system could handle without being overrun by COVID-19 patients needing hospitalisation and intensive care.[56] It is estimated that approximately 15 percent of COVID-19 cases are likely to experience severe illness requiring hospitalisation and 5 percent are likely to need intensive care. Mild and moderate cases are likely to be 40 percent of the total caseload. Figures 1.8-11 illustrate the results of a scenario analysis on the impact of COVID-19 on health system capacity in Fiji over a simulated 12-week period. This assumes NPIs are in place and a default R_0 0.86 for the model.[57,58]

Two scenarios were considered:

Scenario 1: current health care capacity with 21 ICU beds; and

Scenario 2: increased health care capacity with 26 ICU beds.

In Scenario 1, the currently-reported health care capacity, with a total of 2,061 hospital beds, including 21 ICU beds, could provide care without being overwhelmed (i.e. without facing a shortage of ICU beds and/or health workers) for up to approximately 263 known cases of COVID-19 at its peak in the initial week identified in the beginning of the modelling, and a total forecast cumulative COVID-19 cases of 859 during the period of a 12-week outbreak. Among them, 172 patients would require hospital admissions, including 43 cases requiring critical care. If the known cumulative number of cases exceeded 264, then the health system would need additional surge capacity and ICU beds would likely reach their maximum capacity in one week. Approximately 117 inpatient health care workers would be required to provide severe and critical care for these COVID-19 patients at the peak of the outbreak in the first week.

In Scenario 2, with one quarter more critical care beds with ICU capacity (increased to 26 beds) complemented by reinforced NPIs, the health system could cope with up to 330 known cases of COVID-19 at its peak in the initial week, and a cumulative COVID-19 cases of 1,061 during a 12-week outbreak. Among them, 212 patients would require hospital admissions, including 53 cases requiring critical care. Beyond this number, ICU bed capacity would be reached within one week.

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56 https://www.who.int/emergencies/diseases/novel-coronavirus-2019/technical-guidance/covid-19-critical-items.

57 Based on a SIR model with the 5 percent attack rate over the 12 weeks when the country has one confirmed case; a targeted testing strategy where only 10 percent of suspected/mild/moderate cases will be tested, while all required severe and critical cases will be tested; infectious period, 7 days; current average contacts per person per day, 4; probability of infection per contact between susceptible and infected persons, 3.07percent; total number of health workers (doctors and nurses) was 3,243 (doctors 747, nurses 2,496) based on data available to WHO; percentage of HCWs not activated for COVID-19 care was 20percent, percentage of treating hospitalized COVID-19 inpatients, 70 percent, and percentage of health workers screening and triaging suspected COVID-19 cases, 10 percent; the number of hospital beds was 2,061 (World Bank estimates in the tool) with ICU beds for critical patients of 21 (WHO DPS data), and 80 percent of the total beds were allocated to COVID-19 care.
A SIR model is a compartmental model commonly used in infectious disease forecasting. The population is divided into three compartments, Susceptible, Infectious, and Removed. The SIR model here has a simple deterministic structure.

58 R0 stands for the reproduction number, i.e. the number of persons infected by each case.

Approximately 145 inpatient health care workers would be required to provide inpatient care for severe and critical COVID-19 patients at the peak of the outbreak in the first week.

The cost of establishing additional ICU beds is unknown at the time of compiling this report. While additional investment in critical hospital care capacity can save lives, this does not remove the need to continue NPIs, which also have additional costs attached. NPIs remain critical tools to 'flatten the curve' and avoid a situation where the health system is overwhelmed.

Scenario analyses on the impact of COVID-19 on health system capacity in Fiji

Scenario 1. Current healthcare capacity with 21 ICU beds; NPIs implemented (R_0 0.86; contacts per person per day 4)[59]

☞ *The current health care capacity could manage to provide care up to 263 known cases.*

Figure 8. Simulated impact of COVID-19 on inpatient beds in Fiji with current ICU capacity

Inpatient beds filled each week

Figure 1.8. Inpatient beds filled each week (constrained by bed availability)

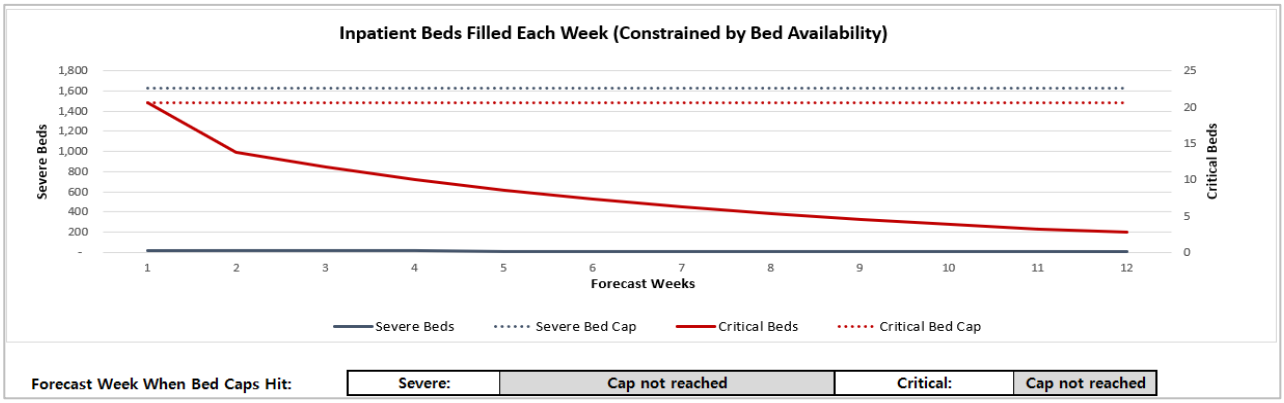
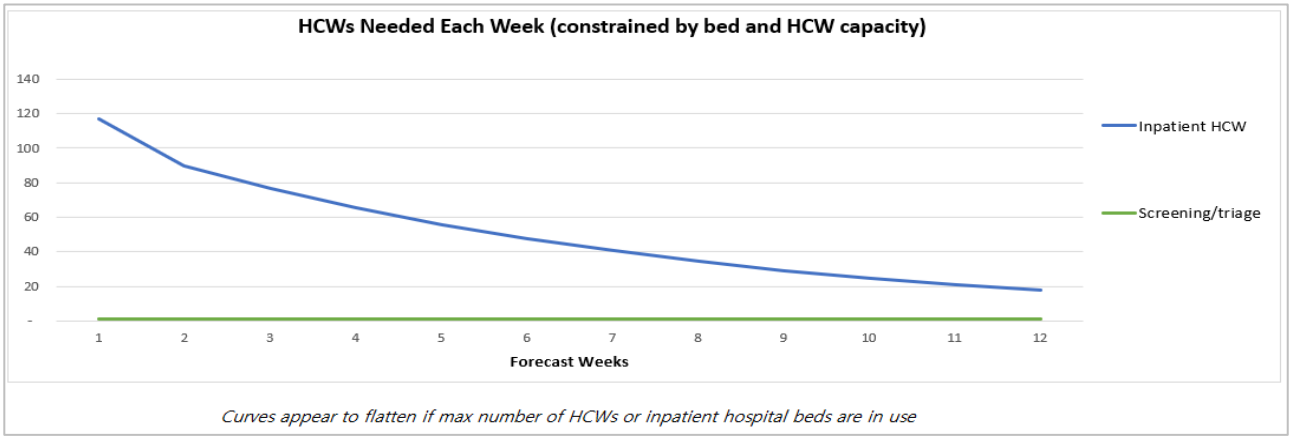


Figure 1.9. Simulated impact of COVID-19 on number of healthcare workers in Fiji with current severe/critical bed capacity[60]



59 Calculated by the authors using the WHO COVID-19 Essential Supplies Forecasting Tool.
60 Calculated by the authors using the WHO COVID-19 Essential Supplies Forecasting Tool.

Scenario 2. Increased healthcare capacity with 26 ICU beds; NPIs implemented (R_0 0.86; contacts per person per day 4)

☞ *The increased health care capacity could manage to provide care to 330 known cases.*

Figure 10. Simulated impact of COVID-19 on inpatient beds in Fiji with additional ICU capacity

Figure 1.10. Inpatient beds filled each week[61]

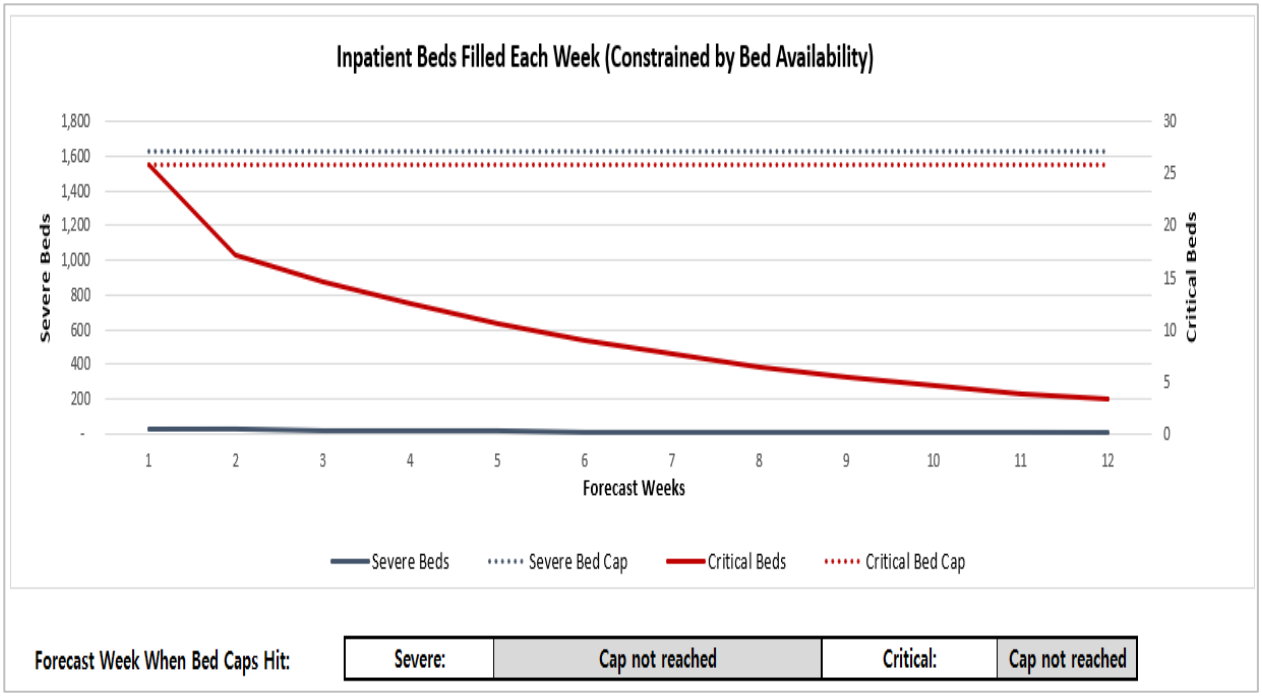
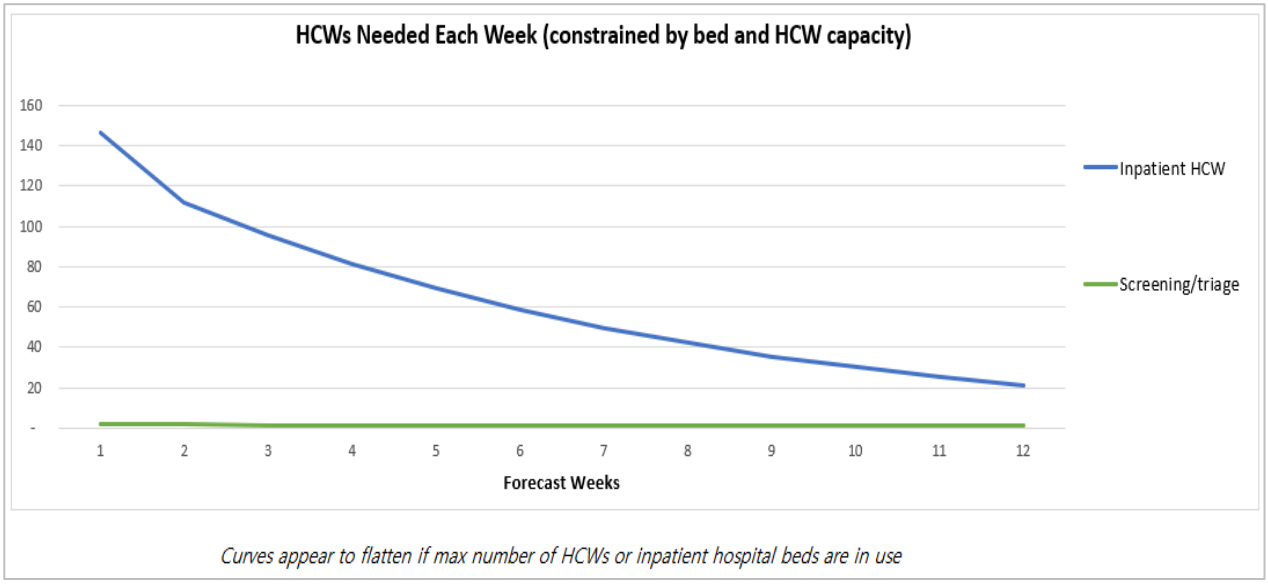


Figure 1.11. Simulated impact of COVID-19 on the number of healthcare workers in Fiji with additional ICU bed capacity[62]



61 Calculated by the authors using the WHO COVID-19 Essential Supplies Forecasting Tool.
62 Calculated by the authors using the WHO COVID-19 Essential Supplies Forecasting Tool.

Scenario modelling: **projected impact of COVID-19 on sexual and reproductive health indicators in Fiji**

Fiji has very high coverage (99.9 percent) for skilled birth attendance (SBA) and facility-based deliveries (FBD). With such high coverage, it is unlikely that COVID-19 would dramatically change patterns of childbirth. Three scenarios of the potential impact of COVID-19 on maternal health outcomes based on hypothetical reductions in utilisation rates and/or access to SBA, FBD, and short-acting family planning methods are modelled as below. The scenarios are:

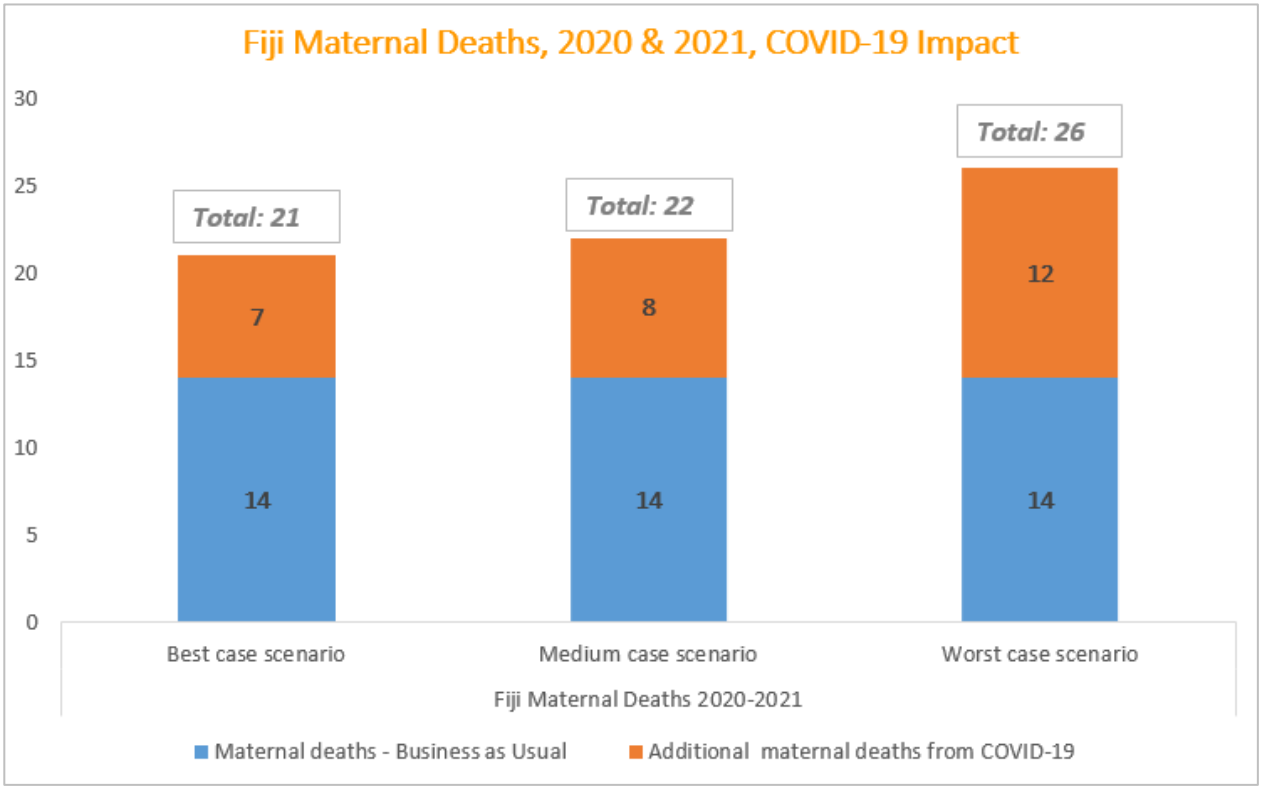
Best case scenario: 10 percent drop in the coverage of SBA and FBD (Figure 1.12) and 10 percent drop in users of short-acting family planning methods (pills, condoms and injectables) (Figure 1.13) in 2020-21;

Medium impact scenario: 10 percent drop in the coverage of SBA and FBD (figure 1.12) and 20 percent drop in users of short-acting family planning methods (pills, condoms and injectables) (Figure 1.13) in 2020-21; and

Worst case scenario: 10 percent drop in the coverage of SBA and FBD (Figure 1.12) and 50 percent drop in users of short-acting family planning methods (pills, condoms and injectables) (Figure 1.13) in 2020-21.

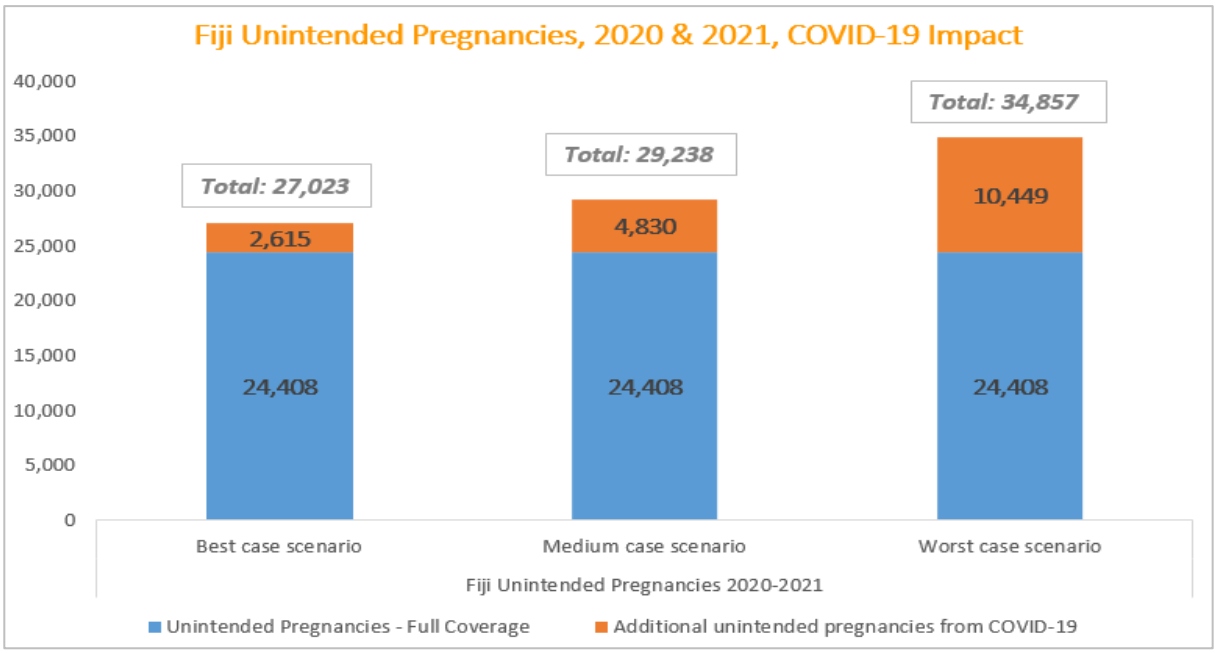
The graphs below show the projected estimates of the number of maternal deaths and unintended pregnancies in 2020 and 2021 had the COVID-19 pandemic not occurred (in blue) and the hypothetical estimates of the 'additional' deaths and unintended pregnancies that could result from the scenarios of reduced service utilisation during the pandemic (in orange).

Figure 1.12. **Simulated impact of COVID-19 on maternal deaths in Fiji**



For the number of maternal deaths, the numbers of additional deaths change across the different three scenarios even when reductions in SBA and FBDs are modelled at a reduction of 10 percent for all three. This is because the models take into account the increased number of foreseen pregnancies due to reduced access to contraception in the three scenarios, which in turn impacts deaths.

Figure 1.13: **Simulated impact of COVID-19 on unintended pregnancies in Fiji**



It is crucial that even at the height of a COVID-19 response, people can maintain access to rights-based services including initiation and continuation of contraception. Preventing unintended pregnancies and access to contraception helps to protect women and girls from the potential negative health and life consequences of unintended pregnancies, including unemployment, financial hardship, gender-based violence, mental health issues, unsafe abortions, child deaths and sexually transmitted infections.

1.4 Policy options and recommendations

Dimensions	Recommendations
Health financing	• Maintain fiscal space for health and strive to maintain at least 5 percent share of GDP for the health sector.
Service delivery and access to care	• Adjustment of governance and coordination mechanisms to support timely action by including a designated focal point for essential health services as a member of the JIMT to act as a liaison with essential health service programs. • Prioritisation of essential health services and adaptation to changing contexts and needs through identifying context-relevant essential health services that will be prioritised for continuation during the acute phase of the COVID-19 pandemic. • Optimisation of service delivery settings and platforms with decisions on which facility-based services can be considered for remote delivery where appropriate and feasible, and primary care services that would routinely be delivered across multiple visits integrated when possible. • Establishment of safe and effective patient flow at all levels (screening, triage, and targeted referral) as patients might present for care prior to having a diagnosis. • Rapid optimisation of health workforce capacity through a combination of strategies, including recruitment, repurposing within the limits of training and skills, redistributing roles among health workers, while keeping health workers safe and providing mental health and psychosocial support. • Maintenance of the availability of essential medications, contraceptive commodities, equipment and supplies. This requires lists of priority resources linked to essential services or adaptation from existing lists, and planning executed in coordination with the overall outbreak response. • Strengthening communication strategies to support the appropriate use of essential services. • Using digital platforms to support essential health service delivery to better manage the COVID-19 response and to maintain the delivery of essential health services as well as communicate to the public about how to access these services. • Strengthen the monitoring of essential health services, including the impact of COVID-19 and response measures on vulnerable groups because of the high out-of-pocket proportion of total healthcare expenditure • 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 by focusing on the WHO recommended indicators outlined in Annex 1A. The data for these indicators while routinely collected would require more frequent collation and analysis beyond routine practice during the pandemic.

PILLAR 2: Protecting People – Social Protection and Basic Services

2.1 Introduction

The effects of the COVID-19 pandemic are today felt all over the world, with over 15 million confirmed cases and more than 600,000 deaths spread over 216 countries (WHO, 2020).[63] The scale and nature of the pandemic have imposed unprecedented strains on the social and economic response mechanisms of countries, with many struggling to provide adequate support to their citizens. The Republic of Fiji, although comparatively less affected with 18 confirmed cases of COVID-19 and zero deaths reported so far, was also drawn into the COVID-19 situation in the last few months. Being one of the more remote countries on earth, the pandemic inflicted severe disruptions to the economic and social fabric of the country. With global travel restrictions evaporating tourism, disruptions to international trade and weakening remittances, Fiji is facing some of the most challenging times in history (International Monetary Fund, 2020).[64] Moreover, with the aftermath of the tropical cyclone season still looming, Fiji is in dire need to put measures in place to safeguard its population from the multidimensional vulnerabilities that the COVID-19 pandemic exposes them to.

This report is an assessment of various multidimensional vulnerabilities, focusing on impacts that COVID-19 has on selected outcomes in Fiji. Even though infection numbers were kept at close to zero in the country, economic impacts are affecting the country and its people considerably, and will continue to do so. In the next section, the report will briefly describe the study's methodology. This is followed by sections on the research framework and methodology, clarifying the approach used to model socio-economic impacts due to COVID-19. These are followed by section 4, which presents results on each socio-economic sector – looking at both the immediate and long-term (until 2022) effects. Section 5 then provides recommendations for each sector, while section 6 lays out policy options, covering social protection responses both for the immediate aftermath and the long run. The section reports on the impact of these programs and includes both actual programs the government put in place post-COVID-19, but also possible extensions to existing programs – namely the Care and Protection (C&P) Allowance and Poverty Benefit scheme – and possible new programs, namely a wage subsidy. These policy options provide a picture on how the government may successfully mitigate the impacts on families and children through various social protection responses.

2.2 Approach

Framework

The analysis performed in this report has the UN Framework for the Immediate Response to COVID-19 as a starting point, focusing on Pillar 2: *Protecting People: Social Protection and Basic Services.* In order to assess the multiple aspects of life that will be impacted by the COVID-19 crisis, in line with the framework, ten different dimensions were assessed, as per Box 2.1 below.

63 WHO Coronavirus Disease (COVID-19) Dashboard. Retrieved from: https://COVID-19.who.int/.
64 International Monetary Fund, 2020.

Box 2.1. Ten dimensions of impact assessment

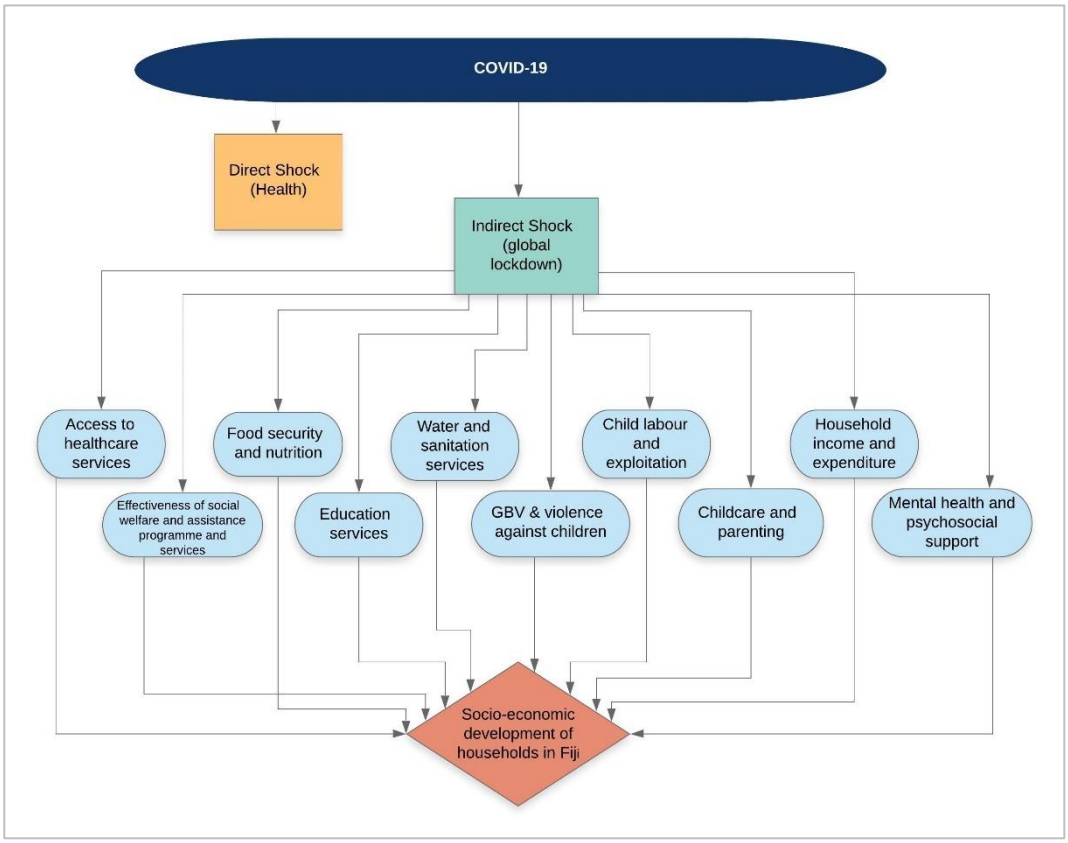
1. Access to health care services
2. Effectiveness of social welfare and assistance program and services (if applicable)
3. Food security and nutrition, in terms of access and availability of affordable markets and food and nutrition services
4. Education services, remote learning and coping strategies
5. Water and sanitation services
6. Gender-based violence and violence against children
7. Child labour and exploitation
8. Childcare, parenting, playtime and mobility
9. Household income and expenditure
10. Mental health and psychosocial support

Per dimension, this report includes several outcome areas. These include outcome areas such as NCD and mortality rates (among others) for health, and underweight, overweight and obesity for nutrition. Globally these outcome areas are affected by COVID-19 in a dual way. Firstly, the health shock affects households directly, through loss of life and sickness. Secondly, these outcome areas are affected by the indirect shock associated with the global response to the disease; i.e. the global lockdown. Due to bans on movement, gatherings and a range of other responses, households' ability to earn an income has been affected, and people are experiencing loss of jobs, stress, loneliness and increased uncertainty. To cope with the loss of income, households resort to negative coping strategies, and lower their calorie intake or refrain from taking up services, if any at all were open or due to reopen after the lockdown. These factors, in turn, have a range of secondary effects, with increases in stress, loneliness and uncertainty having anticipated impacts on gender-based violence, mental health and abuse, and a loss of income over the long-run being associated with higher prevalence of NCDs or child labour, to name a few areas affected. Combined, the direct impact due to the health shock, and the indirect impacts due to the global lockdown and its associated consequences impact families and children in a myriad of ways, ultimately harming their socio-economic development.

Given that in Fiji the spread of the virus has been contained effectively close to immediately after it was introduced in the country, only a few households were impacted through the direct health shock. Given their relative insignificance as a share of the total population, therefore, the impact of the direct health shock has not been modelled in this report. Instead, the primary pathway through which impacts are modelled is the indirect shock associated with the global lockdown. In modelling this indirect shock, this report assesses, where possible, two avenues through which the lockdown affects households. First, the report assesses the immediate impact of the global lockdown on the ten dimensions included. Then, an analysis of how COVID-19 has affected, through the global lockdown, matters related to water, sanitation and hygiene (WASH), nutrition, education and the other seven dimensions is included. However, as outcomes in several of these dimensions is strongly correlated with income levels, and income levels per this report's projections are foreseen to be below their pre-COVID-19 level for several years to come, a second trajectory simultaneously assesses how the economic consequences over the coming years will magnify impacts experienced today. For the latter, three different scenarios of economic impacts are considered and modelled for 2020, 2021 and 2022.

To conclude, not all dimensions have been modelled quantitatively. For some dimensions, too little information was available to allow for a quantitative assessment of outcomes. For these assessments, instead, a more theoretical assessment was made, relying largely on available secondary sources of information.

Figure 2.1. Impact pathways of the COVID-19 lockdown



Methodology

The impacts of COVID-19 presented in this report were derived through scenario-based impact modelling. As the shock of the COVID-19 pandemic and the subsequent lockdown in Fiji and internationally happened just recently, the impacts are only beginning to unfold. Thus, with no actual data available of the magnitude of the impacts, scenarios of impact severity were simulated, using the most recent Household Income and Expenditure Survey (2013/2014), along with other sources, such as estimates on COVID-19's impact on the tourism sector by the International Monetary Fund (IMF) and the United Nations World Tourism Organization (UNWTO). The severity of the lockdown's impact on people's livelihoods will strongly depend on which type of occupation they have – thus, workers were categorised according to their risk level of occupation. Depending on this risk level, incomes were projected to fall according to several scenarios. In order to model and project the socio-economic impacts of COVID-19 in other dimensions beyond monetary poverty, an extensive literature review helped to identify the links between these indicators and poverty, and thereby helped to define the impact pathways to be modelled. The methodology for each sector is laid out in detail in the following section.

Poverty analysis

To calculate the impact of the COVID-19 lockdown on poverty in Fiji, the impact of the lockdown on the economic output was modelled, using the grouping of risk levels per occupation group by ILO (2020)[65], as shown in Table 2.1 below. The latter was adapted to Fiji's context and it was assumed that sectors 9 and 10 were in the high-risk category (as opposed to medium-high risk

65 ILO Monitor. (2020). COVID-19 and the world of work. Fourth edition.

as defined by ILO, since these two sectors are heavily reliant on tourism in Fiji – which has dropped and is forecast to see a significant decrease).[66]

Table 2.1. Livelihood risk by sector[67]

	Economic sector	Current impact of the crisis on economic output
1	Education	Low
2	Human health and social work activities	Low
3	Public administration and defence; compulsory social security	Low
4	Utilities	Low
5	Agriculture, forestry, and fishing	Low
6	Construction	Medium
7	Financial and insurance activities	Medium
8	Mining and quarrying	Medium
9	Arts, entertainment and recreation and other services	High
10	Transport, storage, and communication	High
11	Accommodation and food services	High
12	Real estate, business, and administrative activities	High
13	Manufacturing	High
14	Wholesale and retail trade, repair of motor vehicles and motorcycles	High

Individuals were grouped according to these risk levels, resulting in three risk groups, and subsequently resulting income drops (in percent) were calculated for the households according to their risk group. To model different degrees of severity of the lockdown's impact on the economy, four scenarios with varying income drops were developed, wherein scenario 1 presents the least severe impact and scenario 4 the most severe. More information on this can be found in Annex 2A.

These poverty levels are expected to decline as more and more countries over time come out of lockdown and start reopening their economies. To estimate how poverty in Fiji will evolve over the coming years, several scenarios have been developed, modelling poverty rates up to 2022. These projections contain much uncertainty, as they strongly rely on possible new waves of the virus, the development of a vaccine and/or the inclusion of Fiji in global travel bubbles. As the Fijian economy is highly dependent on tourism, and the recovery of tourism is a proxy for levels of global trade and development, income drops in these next two years will be adjusted based on the recovery rates of tourism. According to the UNWTO[68], the following scenarios can be expected for international tourism, for the year of 2020:

1. Scenario 1 (-58 percent) based on the gradual opening of international borders and easing of travel restrictions in early July;
2. Scenario 2 (-70 percent) based on the gradual opening of international borders and easing of travel restrictions in early September;
3. Scenario 3 (-78 percent) based on the gradual opening of international borders and easing of travel restrictions only in early December.

66 The Guardian. (June 10, 2020). Pacific countries plead for inclusion in 'trans-Tasman bubble' as travel restrictions ease. Retrieved from https://www.theguardian.com/world/2020/jun/11/pacific-countries-plead-for-inclusion-in-trans-tasman-bubble-as-travel-restrictions-ease?CMP=Share_AndroidApp_Skype.
67 Adapted from ILO (2020).
68 UNWTO (2020). International tourism numbers could fall 60-80 percent in 2020, UNWTO reports. Retrieved from: https://www.unwto.org/news/COVID-19-international-tourist-numbers-could-fall-60-80-in-2020.

Taking the above scenarios into account, the model furthermore assumes a 100 percent recovery of tourism by 2022 in the best case, and a 75 percent recovery in the worst case. Tourism recovery projections can be viewed in Annex 2B. Based on the tourism recovery projections and associated assumptions, income drops per risk group and per scenario for the years 2020 to 2022 were computed, as shown in Annex 2C.

Healthcare

Regarding maternal and child mortality, the modelling of health service coverage is based on the methodology adopted by Robertson et al. (2020)[69] , which expresses reductions in coverage for different categories of care as a function of workforce reduction, supplies reduction, demand reduction and access reduction. Specifically, any health indicator's reduction coverage is expressed as the following:

$$\begin{aligned}&\text{Health Service Coverage reduction}\\&\quad = 1 - (1 - \text{Workforce reduction}) * (1 - \text{Supplies reduction})\\&\quad * (1 - \text{Demand reduction}) * (1 - \text{Access reduction})\end{aligned}$$

Regarding sexual and reproductive health, the impacts are modelled based on both Robertson et al.'s (2020) model and previous research conducted on Fijian women's fertility.[70] According to Cammock et al. (2018), being unemployed leads to an Odds Ratio (OR) of 0.7 of contraceptive usage – which can be translated into a 30 percent decrease in contraceptive use in case of unemployment. Thus, an increase in unintended pregnancies can be estimated according to the approximate increase in unemployment due to the lockdown.

The impact of COVID-19 on NCDs can occur through multiple pathways (e.g. poverty, lower educational attainment and decreases in healthcare utilisation, among others), thus the exact magnitude of the increase in NCD prevalence cannot be approximated. Previous research has found that not attaining any educational qualifications increases the risk of contracting an NCD by approximately 39 percent.[71] Therefore, only using the above correlation between lower levels of education, and combining these with the negative impact that COVID-19 will have on school drop-out rates as modelled in the education section of this report, the total number of children that risk developing an NCD if they drop out of school and do not re-enrol is estimated.

Nutrition

To model an increase in wasting, underweight, obesity and diabetes due to COVID-19, previous research findings were utilised. To start, using nationally representative data from 121 Demographic and Health Surveys from 36 countries, Vollmer et al. (2014)[72] have found an OR of 0.989 for underweight and 0.983 for wasting for a 5 percent increase in GDP per capita. Regarding obesity, previous research[73] also found a link of this outcome to income, finding an increase of 16.26 percent in the national obesity rate with every unit increase in the log of income. For diabetes, this increase was 8.18 percent per unit. Using Fiji's Household Income and Expenditure Survey (HIES) 2013/2014 data, the results on wasting, underweight, obesity and diabetes were

69 Robertson, T., Carter, E. D., Chou, V. B., Stegmuller, A. R., Jackson, B. D., Tam, Y., ... & Walker, N. (2020). Early estimates of the indirect effects of the COVID-19 pandemic on maternal and child mortality in low-income and middle-income countries: a modelling study. The Lancet Global Health.
70 Cammock et al (2018). Awareness and use of family planning methods among iTaukei women in Fiji and New Zealand.
71 World Bank (2016). Pacific possible: Health and non-communicable diseases.
72 Vollmer, S., Harttgen, K., Subramanyam, M. A., Finlay, J., Klasen, S., & Subramanian, S. V. (2014). Association between economic growth and early childhood undernutrition: evidence from 121 Demographic and Health Surveys from 36 low-income and middle-income countries. The lancet global health, 2(4), e225-e234.
73 Bentley, R. A., Ormerod, P., & Ruck, D. J. (2018). Recent origin and evolution of obesity-income correlation across the United States. Palgrave Communications, 4(1), 1-14.

computed on the basis of this link to income, taking into consideration the immediate- and long-term drop in income as a result of COVID-19.

In order to compute COVID-19's impact on food poverty, Fiji's food poverty line of $1.9/day was used and adapted to the post-COVID-19 circumstances. According to the World Bank (2017)[74], Fiji's food poverty line is equivalent to the extreme poverty line ($1.9/day), which is equal to FJD 4.1. This poverty line is then inflated according to the imported food price increase[75] to reflect the increased food prices (using the maximum projected increase of cereal prices of 13 percent post-COVID-19[76]) post COVID-19, bringing the food poverty line to FJD 5.1.[77] Using this inflated rate, the food poverty rate is then computed for the short and long run.

Water, Sanitation and Hygiene

Previous research[78] has found a link between access to piped water and income, where a 1 percent increase in Gross National Income (GNI) leads to a 0.11 percent increase in access to piped water. For our purposes, access to piped water is used as a proxy to measure the ability of those households, which already had access to piped water pre-COVID-19, to pay for their water bills. With the previous assumptions on income drops between 2020 and 2022, and looking at three scenarios, the expected decrease in access to piped water was computed.

Mental health

Mental health issues may increase due to COVID-19 for a number of reasons, as individuals may suffer depression and anxiety as a result of the fear of the health threat itself or the economic consequences accompanying it. In addition, mental health outcomes may worsen as a result of the daily restrictions due to the lockdown, and the associated loneliness that this may cause. To date, little data is available on the increase in mental illnesses due to COVID-19 in Fiji. However, research in the United States indicates the magnitude of the potential impact on mental health, as the daily number of depression and anxiety screenings has surged by 394 and 370 percent respectively.[79] The magnitude of the increased mental illnesses in the United States are likely specific to the context of that country, with high inequality and little access to safety-nets, and with the disease having a catastrophic economic impact in addition to having a substantial health impact.

Nevertheless, to estimate the pandemic's impact on mental health in Fiji, several scenarios to provide a range of possible mental health outcomes are provided. According to this report's conservative assumptions (vis-à-vis the impact seen as described above), mental illness may rise in the immediate aftermath by 10, 15 or 20 percent, according to three scenarios of severity. In the long run, the increase in mental illness prevalence is expected to continuously reduce as the world gradually returns to pre-COVID-19 times. For more information, see Annex 2D.

Education

The impacts of the lockdown on the education outcomes model are based on Fiji's enrolment rates from 2012 and total population of 2018. Enrolment rates in Fiji are already high and suffered only small variations throughout the last few years (World Bank, 2017). Therefore, an assumption was made that 2012 rates could be extrapolated to the current scenario.

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74 World Bank (2017). Systematic Country Diagnostic.
75 Food and non-alcoholic beverages have a weight of 28.3 in Fiji's CPI (Reserve Bank of Fiji, 2017).
76 Sulser & Dunston (2020). COVID-19-related trade restrictions on rice and wheat could drive up prices and increase hunger. Retrieved from https://www.ifpri.org/blog/COVID-19-related-trade-restrictions-rice-and-wheat-could-drive-prices-and-increase-hunger.
77 Calculation: ((0.283*1.2)*1.13)+(1.2*(1-0.283) = 1.244; FJD4.1*1.244 = 5.1.
78 Gomez, M., Perdiguero, J., & Sanz, A. (2019). Socioeconomic factors affecting water access in rural areas of low- and middle-income countries. Water, 11(2), 202.
79 Mental Health America (1 June, 2020). COVID-19 and Mental Health.

To calculate the total number of years lost, the report considers that the school closure lasted for three months (25 percent of a year), whilst considering the percentage of the national curriculum by level of education (pre-primary, primary or secondary) that will be achieved via online or remote learning. For example, the 25 percent of a full year that was lost by the average pre-primary student is reduced due to the 20 percent of the curriculum that is estimated by United Nations Educational, Scientific and Cultural Organization (UNESCO) to be completed via online or remote learning. This calculation provides the percentage of the years that will be lost; in turn, this share is multiplied by the total number of enrolled students to end up with the total years lost. This represents a compilation of the years that would be lost by all Fijian students by school level.

$$\boldsymbol{Total\ number\ of\ enrolled\ students} * (\mathbf{0.25} * \boldsymbol{percentage\ of\ curriculum\ achieved\ via\ online/remote\ learning})$$

The secondary dropout rate is based on findings from a study on the elasticity of school enrolment (Grimm, 2011). The study reveals that "a ten percent increase in household income leads to an increase in the probability of being enrolled of 0.73 percent" (Grimm, 2011, p.17). This finding was extrapolated to this model and applied only to secondary enrolment rates, as findings from Fiji show that inequality plays a significant role on secondary schooling (World Bank, 2017) and less so on primary education, as also reflected by enrolment rates in primary school. Considering the economic projections for 2021 and 2022 and associated poverty rates, it was possible to calculate the possible impacts of sustained increases in poverty rates for the coming years compared to pre-COVID-19 on secondary school enrolment.

2.3 Findings

Poverty

Since 2002, Fiji has experienced a gradual decline in its level of poverty from 39.8 percent to 28.4 percent in 2015.[80] In 2014, less than 2 percent of the population was considered to be extremely poor at the international poverty line of FJD 2.5 per day. When increasing the latter to the lower middle-income country poverty line (FJD 4.1 per day), the poverty rate increased to 14.3 percent. This rate rose even further to 29.5 percent of the population, when utilizing the upper middle-income country poverty line (FJD 7.1). As Fiji is considered an upper middle-income country, the latter poverty line ($5.5/FJD 7.1) was used for the calculations presented in this report.

Poverty in Fiji pre-COVID-19 lockdown

The pre-COVID-19 poverty rate in Fiji in 2020 stood at 24.2 percent, with a total of 210,963 people living in poverty. When disaggregating this number by region, the poverty rate stood at 16.76 percent (73,153 people) in urban areas and at 31.9 percent (138,737 people) in rural areas – showing a large difference in poverty according to geographic location. The poverty gap – defined as the ratio showing the average shortfall of the population from the poverty line – stood at 6.6 percent nationally, with 4.6 percent and 8.5 percent in urban and rural areas, respectively. Poverty severity – which is a poverty measure sensitive to the income distribution among the poor – stood at 2.7 percent overall and was also at 2.13 percent higher in urban areas compared to 3.3 percent in rural areas.

Exploring demographic differences, children were found to be at higher risk of living in poverty compared to the total population. The poverty rate for children (0 to 14 years old) stood at 32.1 percent – thus, almost 8 percentage points higher than overall poverty. The rural-urban divide was also prevalent among children, with urban child poverty rates at 22.22 percent and rural child poverty rates at 40.92 percent.

80 World Bank (2018). Poverty and Equity Brief. Retrieved from: http://documents.worldbank.org/curated/en/531821528202548810/pdf/Fiji-PEB-Spring-2018.pdf.

Table 2.2. Poverty pre-lockdown (2020)

Poverty statistic	Total	Urban	Rural
Poverty rate[81]	24.21%	16.76%	31.90%
Poverty headcount	210,963	73,153	138,737
Poverty gap	6.58%	4.66%	8.45%
Poverty severity	2.73%	2.13%	3.30%
Child poverty	32.1%	22.22%	40.92%

When disaggregating poverty rates geographically, the numbers show the highest poverty rate for the Northern division at 29 percent, and the lowest for the Central division at 14 percent (Annex 2E). When looking at demographic household characteristics, it can be observed that poverty rates increase with household size, number of children in the household and the household's dependency ratio (i.e. the number of dependents divided by the number of people aged 15-64) (Annex 2F).

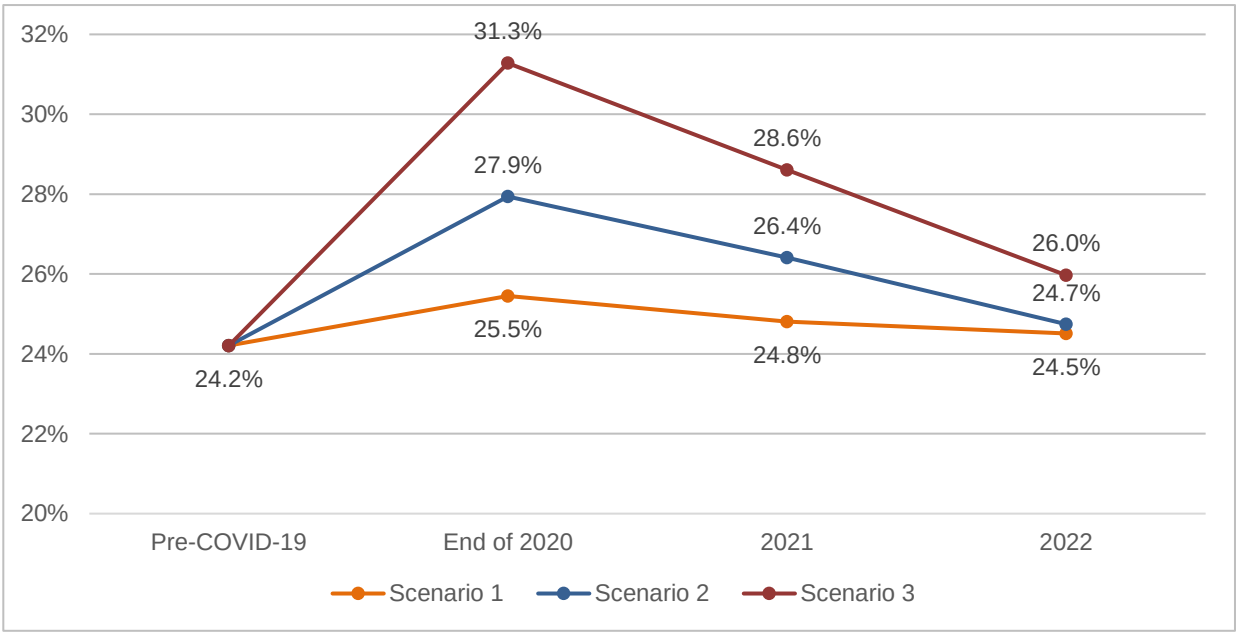
Impact of COVID-19 lockdown on poverty in Fiji

This section presents the poverty rate and gap after the COVID-19 lockdown has been introduced according to the four scenarios of severity. The national poverty rate after the COVID-19 lockdown is calculated to stand at 26.5 percent for scenario 1 (i.e. the least severe) and 37.5 percent for scenario 4 (i.e. the most severe), with poverty rates for the other two scenarios in between. Rural poverty ranges between 33.8 percent and 46.3 percent, while urban poverty shows a range between 19.3 percent and 28.8 percent. The poverty gap also shows a considerable increase, as opposed to pre-COVID-19 poverty gap, growing to as high as 11.1 percent in the most severe scenario. The latter indicates that the average depth of poverty also increases substantially, growing from an average of 6.5 percent shortfall in income from the poverty line for people living in poverty to more than 11 percent in the worst-case scenario. For people already living in poverty pre-COVID-19, this increase is even more severe (Annex 2G), especially for those in urban areas that are much more dependent on cash to obtain food and non-food basic items compared with rural populations.

Looking at child poverty rates and headcount immediately after COVID-19 for the four scenarios, the child poverty rate is expected to stand between 35.1 percent (104,310 children) and 47.4 percent (141,148 children), and with that, it can be observed that children are hit relatively harder than the overall population. Pre-COVID-19, child poverty was 7.9 percentage points higher than the overall poverty rate; post-COVID-19, the difference goes up to 9.9 percentage points (Annex 2H).

81 Income includes the following: wages and salaries; agriculture and forestry; fishing, gathering and hunting, livestock and aquaculture; handicrafts and home processed foods; non-subsistence business; property, transfer and other income; and remittances and cash gifts.

Figure 2.2. Pre- and post-COVID-19 poverty rates, 2020-2022



Based on the scenarios outlined in section 3.1 on long-term poverty, poverty rates have been projected for end of 2020 to 2022. By the end of 2020, assuming a recovery of the economy in line with a best-case scenario for the recovery of tourism, the national poverty rate would stand at 25.45 percent. Moreover, in a worst-case scenario, the national poverty rate would still be at 31.3 percent, as opposed to 24.2 percent pre-COVID-19. Over time, as the economy gradually recovers, these levels would decline to 24.5 percent and 26 percent for the best- and the worst-case scenario, respectively (Annex 2I-K).

Over the coming years, in absence of any expansion in programs tackling poverty and vulnerability, poverty thus may still remain higher in Fiji than before the global pandemic. Child poverty may still be at 37.7 percent in 2021, and at 34.3 percent in 2022 – and with that, would still be substantially higher than at pre-COVID-19 levels (Annex 2L).

Health and access to healthcare services

Fiji has seen significant improvements regarding health indicators in previous years. Infant mortality has decreased to 19/1,000 as of 2015, down by 24 percent since 1990, while the under-5 mortality rate is at 25.6/1,000 live births.[82] In addition, good progress has been made on vaccination coverage, with close to universal coverage being achieved in 2015. Maternal deaths stood at 30/100,000 live births in 2015, with an estimated total of five maternal deaths in 2015. Regarding the adolescent fertility rate, Fiji's is still the highest in the region with a rate of 45/1,000 women aged 15-19, with contraceptive prevalence standing at around 44 percent of the population.

Even though Fiji only had very few cases - 18 cases to date, all of them recovered - the pandemic along with the lockdown may have indirect effects on people's health and access to healthcare services. COVID-19 and its impacts on people's livelihoods can have a real impact on health indicators, as they are closely linked to household income and improvements in health over the last years are thus at risk of being reversed. In addition, hospital and health care services may be compromised due to the lockdown effects, and thus essential health care services such as antenatal and post-natal care may not be accessible as widely as pre-COVID-19. According to UNFPA (2020)[83], the COVID-19 pandemic and the resulting lockdown is already leading to an

82 UNICEF (2018). Key Demographic Indicators. Retrieved from https://data.unicef.org/country/fji/.
83 UNFPA (2020) Socio-economic impact assessment of COVID-19 in Fiji.

estimated overall decline of 20 percent in utilisation of healthcare services in Fiji. For these reasons, it is imperative to consider indirect health impacts, so that recommendations can be made as to which services in particular should receive increased attention. The following projections provide a picture on the possible health impacts of the pandemic, regarding (1) NCDs, (2) maternal and child deaths, (3) sexual and reproductive health and (4) access to mental healthcare services.

Non-communicable diseases

NCDs are now the leading cause of death in most countries in the Pacific, with 77 percent of deaths in Fiji being due to an NCD. They also drive premature (under 70 years of age) deaths in the country. Looking at NCD mortality rates, 34 percent of deaths are due to cardiovascular diseases, 9 percent due to cancers, 5 percent due to chronic respiratory diseases and 22 percent due to diabetes.[84] Previous research[85] has found that since 2000, populations with lower socio-economic status are at an elevated risk of developing NCDs - diabetes, stroke, myocardial infarction (heat attack) and cancer. Poorer and less educated people are suffering for NCDs more than the rich population. High-fat, low-fibre foods are usually cheaper than the healthier alternatives, thus making them more likely to be purchased by people of low socio-economic status. The NCD burden on low-income households is exacerbated due to the correlation with lower levels of education, and lower educational achievement in younger years has been found to lead to greater NCD susceptibility in adulthood.

Using the methodology presented in section 3.2, the total number of children that, due to their drop out from school, are at risk of developing an NCD if they do not re-enrol is between 231 and 769 (Annex 2M). Furthermore, the prevalence of NCDs may also increase through losses in income – specifically, the prevalence of diabetes has been shown to be higher in low-income households. This analysis's results indicate an immediate increase of prevalence in diabetes post-COVID-19 of between 0.38 and 1.28 percent, while the prevalence may still be up by between 0.21 and 0.98 percent by the end of 2020. In 2021, the results suggest an increase of between 0.11 and 0.63 percent, and between 0 and 0.3 percent in 2022 (Annex 2O).

Thus, by the end of 2020, the total prevalence of diabetes could in the worst-case scenario be at 30.3 percent, thus 0.3 percentage points above pre-COVID-19 levels. This may raise healthcare costs for the country significantly, as NCDs require expensive treatment, surgeries and medication, while adding to a country's economic burden by cutting productive lives short. According to the WHO[86], the country had already reached crisis levels of the NCD burden before COVID-19 and thus it is especially important to mitigate COVID-19's impact in this matter – both for health and economic reasons.

Maternal and child mortality

Pre-COVID-19, the maternal mortality rate stood at 30/100,000 live births (amounting to a total of 5 maternal deaths in 2015) and the under-5 mortality rate in Fiji stood at 25.6/1,000 live births. With that, Fiji achieved the SDG targets of both. However, the economic crisis caused by the pandemic may reverse some of this progress, mainly due to losses in household income. This impact is modelled in this section. Due to the pandemic's uncertainty, we adopt three different scenarios to measure reductions of coverage under various magnitudes of impact. Annexes 2P-R describe COVID-19's effect on the respective health system components (including workforce, supplies, demand and access). A small reduction here is equivalent to 5 percent, a moderate reduction to 10 percent and a large reduction to 25 percent. Using rates of reduction and all

84 World Health Organization – Non-communicable Diseases (NCD) Country Profiles, 2018.
85 Niessen et al (2018). Tackling socio-economic inequalities and non-communicable diseases in low-income and middle-income countries under the Sustainable Development agenda.
86 WHO, 'Non-communicable Diseases in the Pacific', on http://www.wpro.who.int/southpacific/programs/healthy_communities/noncommunicable_diseases/page/en/ [31.05.17] .

corresponding risk levels, the anticipated drop in coverage based on the livelihood risk level was calculated for each scenario. Below Table 2.3 summarises coverage reductions in different health outcomes for the three scenarios.

Table 2.3. Component and coverage reductions for three scenarios

	Scenario 1 (%)	Scenario 2 (%)	Scenario 3 (%)
Family planning	9.8	18.8	39.3
Antenatal care	18.5	26.9	51.9
Childbirth care	14.3	23.1	49.4
Postnatal care	18.5	26.9	51.9
Vaccination	18.5	26.9	51.9
Early child preventive	14	22.8	42.3
Early child curative	14.3	23.1	49.4

The following section reports on additional maternal and child deaths in the next three, six and 12 months. Additional maternal deaths may be at 12 overall in the next 12 months in the best case and at 56 in the worst case. These numbers amount to 384 and 1,656 for children in the best and worst case, not considering increased wasting. When considering increased wasting, child deaths may amount to between 470 and 2,145 within the next 12 months (Annex 2S). Regarding the long-term impact, there may still be between 12 and 51 additional maternal deaths in 2022, and between 372 and 1,515 additional child deaths (without the effect of increased wasting), while additional child deaths may amount to between 455 and 1,963 child deaths, with the effect of increased wasting (Annex 2T).

These numbers would mean a significant setback in achieving the under-5 mortality rate of 25/1,000 live births by 2030 and a maternal mortality rate of less than 70/100,000 live births. With additional unintended pregnancies as an indirect effect from COVID-19 – as laid out in the following section – these numbers may even be somewhat higher.

Sexual and reproductive health

Without COVID-19, there are an estimated 24,408 unintended pregnancies in Fiji in 2020 (WHO, 2020)[87] and according to the most recent World Bank estimates from 2015[88], the adolescent fertility rate in Fiji stands at 45 (births per 1,000 women aged 15–19). As outlined in the methodology, this report uses two different methods to estimate additional unintended pregnancies.

The results are relatively similar according to both methods, while also being largely in line with forthcoming UNFPA estimates. Unintended pregnancies would rise to 2,392 (2,362) in the best case and to 9,592 (7,782) in the worst case (Annex 2U). Looking at the long-term impact of COVID-19 on unintended pregnancies, the numbers decrease with each year – in the best case, they are at 1,642, 1,149 and zero in 2020-2022, respectively; these numbers amount to 7,106, 5,072 and 3,741 for the worst case (Annex 2V). With additional unintended pregnancies post-COVID-19, total unintended pregnancies may stand at 31,514, up from 24,408 by 29.11 percent in the worst case by the end of 2020. Additional unintended pregnancies will increase the economic burden, which households are already facing due to COVID-19 – and as the increase in unintended pregnancies for Fijian women is closely linked to unemployment, vulnerable households will be especially affected. Further effects can then be poor nutritional child outcomes or even higher child mortality rates.

87 WHO (2020). Socio-economic impact assessment of COVID-19 in the Pacific | Fiji.
88 World Bank Indicators (2015). Retrieved from https://data.worldbank.org/indicator/SP.DYN.TFRT.IN?locations=FJ.

Access to mental healthcare

In Fiji, little epidemiological data is available on the prevalence of mental disorders. However, in recent years, there has been a large increase in mental health services utilisation in St. Giles, Fiji's hospital for mental illness. Out of the patients utilising services, close to half of all patients are diagnosed with schizophrenia, with mood disorders being second to that.[89] The high demand for mental health services has led to overutilisation of services and long waiting lists at divisional hospitals. To counteract this, opening hours at selected urban and peri-urban health centres had already been extended pre-COVID-19. However, despite these efforts, most patients with mental illness still never receive treatment. In 2013, the treatment gap for mental health patients in Fiji was estimated to stand between 89.7 and 96.9 percent.[90]

As outlined in section 4.9 on mental health, COVID-19 is likely to have an adverse impact on mental health, regarding depression, suicide and severe mental disorders. Thus, a surge in the utilisation of mental health services can be expected and if mental healthcare resources are not increased accordingly, the treatment gap will be expected to widen further, leaving a larger share of the population in Fiji without access to proper mental healthcare services.

Education

The school system in Fiji is characterised by a public-private partnership – 98 percent of schools are faith-based or community-owned but funded by the government, and the other 2 percent are publicly owned. Primary education runs for six years and secondary education for another seven years. Whilst education is not compulsory, it is free for the first eight years. Primary school enrolment is virtually universal (98 percent of net enrolment), with no relevant variation between boys and girls.[91] On the other hand, Fiji has historically faced high rates of secondary school dropouts (85 percent of total net enrolment) with a relevant gender gap. Secondary school enrolment is at 88 percent for girls and 80 percent for boys – most boys who drop out of secondary school do it to join the workforce.[92]

As part of Fiji's measures to prevent the spread of COVID-19 all schools were closed, and children were advised to stay at home. The closing of schools lasted for approximately three months, with the lockdown starting in early April 2020 and schools reopening on 30 June 2020. Throughout the lockdown period, the Ministry of Education released a group of measures to facilitate online learning and home schooling – radio, TV, online lessons and extra print out material were created and provided to students of all ages. Despite the government's best efforts, findings reveal that a relatively small percentage of the national curriculum will be completed via online and remote learning. The highest figures were observed on primary education, with 20-50 percent of the curriculum completed during the lockdown. For both pre-primary and secondary education merely 20 percent of the curriculum will be completed through distance learning.[93] Pressures to support family activities such as fishing, farming for food sources and domestic tasks including cleaning and care for siblings during lockdown are some important barriers to completing schoolwork remotely.

Based on the lockdown period and on the estimated percentage of curriculum completion during this time, it is possible to assess the total years that will be lost by Fijian students. As shown in the table below, there will be a total loss of 38,373 years (Table 2.4). The biggest impact is seen

89 Singh S, C. O., Funk M, Shields L, Andrews A, Hughes F, Sugiura K, Drew N. (2013). WHO Profile on mental health in development (WHO proMIND): Fiji. Geneva: World Health Organization.
90 Ibid.
91 Saraogi, N., Mayrhofer, D. K., & Abdul-Hamid, H. (2017). Fiji Education Management Information Systems: SABER Country Report 2017. World Bank.
92 Ibid.
93 UNESCO. (2020). Socio-economics impact assessment of covid-19 on education services in the republic of Fiji, Working Paper 2020. UNESCO.

on secondary and pre-primary education, due to a lower rate of curriculum completion during the lockdown.

Table 2.4. Total years lost due to school lockdown (2020)

	Pre-primary education	Primary education	Secondary education	Total
Total years lost	4,213	21,435	12,724	38,373

Considering the impact which COVID-19 will have on poverty levels, it is observed that secondary education enrolment will remain below pre-COVID-19 levels even after the re-opening of schools. Studies show that whilst primary education is almost universal in Fiji, enrolment rates in secondary education are lower, and inequality plays a significant role on secondary school dropout rates (World Bank, 2017). Based on the projected scenarios of the economic impacts of the lockdown and its consequences on poverty increases, a dropout rate was calculated for secondary school students.

It is estimated that about 237 to 1,356 children may have dropped out of secondary school in 2020 due to increased poverty rates. These figures will gradually decrease to a maximum of 546 students remaining out of school post COVID-19 in 2022 in the worst-case scenario (Annex 2W).

Nutrition and food security

Wasting and Underweight

Childhood wasting for children below 5 years of age in Fiji stands at 6 percent and is thus higher than the regional average amongst PICs of 4 percent.[94] Underweight is reported to be slightly lower, at 5 percent.[95] Both underweight and wasting are strongly affected by household income, with the highest prevalence occurring in the poorest households, as they lack resources for a nutritious diet and often do not have access to improved water and sanitation. In addition, outcomes on obesity are investigated in this section. Most Fijians have access to energy-dense food and the country's energy supply adequacy is above the global average. As a result, there has been a steady rise in calorie availability over the last several years. By 2009, an average of 3,421 kilocalories (kcal) was available per person per day, compared to 2,819 kcal in 1985 and 3,298 kcal in 2006. In turn, increasing food energy availability has caused a spike in obesity rates and associated NCDs. In 1993, the recorded adult obesity rate was 9.8 percent, while in 2011 it stood at around 42.6 percent.[96] There is an increasing dependence on cheap imported food and a decreased intake of traditional food, and in addition to this type of cheap imported food, many traditional foods are now grown for export, which has increased prices, especially for urban Fijians.

In the following, results on the above indicators are presented. Regarding underweight prevalence, there is an immediate increase of between 0.012 and 0.05 percent, the increase being between 0.01 and 0.031 percent for the end of 2020, 0.004-0.02 percent in 2021 and between 0 and 0.01 percent in 2022 (Annex 2X). At the same time, as an immediate impact, wasting may increase between 0.014 and 0.046 percent and between 0.008 and 0.036 percent by the end of 2020. By 2021, there may still be an increase of between 0.004 and 0.023 percent in wasting prevalence and between 0 and 0.012 percent in 2022 (Annex 2Y). The results on obesity prevalence indicate an immediate increase of between 0.75 and 2.55 percent, the increase being between 0.42 and 1.95 percent by the end of 2020. In 2021, the increase in obesity

94 UNICEF (2017). Situation Analysis of Children in Fiji.
95 Ibid.
96 Ibid.

prevalence is projected to stand between 0.21 and 1.25 percent, and between 0 and 0.6 percent in 2022 (Annex 2Z).

The numbers thus indicate a modest increase in the additional share of children below 5 years of age who are affected by wasting or underweight. This is mainly due to relatively low prevalence in the first place. The number of adults affected by obesity, on the other hand, may by the end of 2020 stand at 384,312 in the worst case, up by approximately 7,351 people. Similarly to diabetes and other NCDs discussed in the health section, obesity can present a large economic burden on a country through increased health costs and reduced productivity.

Food poverty and dietary diversity

As per the World Bank's estimations, food poverty in Fiji stood at 2.5 percent in 2017. Utilising the methodology laid out in section 3, the report estimates a food poverty rate for the immediate post-COVID-19 period, as well as for the long-term, considering the assumptions on household income drops due to the pandemic. In addition to a drop in income, Fijians are likely to experience rising prices of imported foods. While Fiji is self-sufficient for many food items, it heavily depends on imports for cereals, pulses and vegetable oils, among others. Meat, cereals and cereal products, beverages, food preparations and sugar are the top five primary sector imports for most PICs and account for approximately 50 percent of the total dietary energy consumed. According to the Food and Agriculture Organization (2020)[97], access to imported foods may be limited by the pandemic and food prices will rise. Due to COVID-19 related trade restrictions, the aggregate price of cereals may increase by as much as 13 percent.[98] Poor Fijian households spend approximately 29 percent of their income on food, compared to 18 percent for those above the poverty line[99], making poor households much more sensitive to an increase in food prices. Thus COVID-19 may also impact dietary diversity and lead to a disproportionate consumption of under-nutritious food, especially for low-income households. The following section presents possible COVID-19 impacts on both food poverty and dietary diversity.

According to the results of the analysis, the food poverty rate is projected to stand between 6.82 and 9.29 percent immediately post-COVID-19. At the end of 2020, it may still be between 6.49 and 8.47 percent. In 2021, food poverty can be expected to stand between 5.93 and 7.63 percent, while in 2022, it may still be between 5.41 and 6.09 percent and with that, it would still be significantly above the pre-COVID-19 2.5 percent (Annex 2AA). Additionally, the increase in imported food prices can strongly affect the dietary diversity of Fijians, as the increased expenditure on imported staples will leave less money to spend on fresh fruits and vegetables – already, many traditional crops are more expensive and the decline in the agricultural sector has made much of the population increasingly dependent on cheap, imported food, which is especially true in urban areas, where home food production is low (urban Fijians grow 5 percent of the food they consume, compared to 35 percent for rural residents). Consequently, urban Fijians are especially sensitive to the cost of fresh fruit and vegetables.[100] Thus, the effect of increased imported food prices on dietary diversity can be expected to be even higher for urban than for rural households. In addition to the rise in food prices, the dietary diversity of children attending year one in primary school will be affected through school closures, as each of these children previously received 250 ml of milk per day at school.[101] Refer to Annex 2B for an assessment by

97 Ibid.
98 Sulser & Dunston (2020). COVID-19-related trade restrictions on rice and wheat could drive up prices and increase hunger. Retrieved from https://www.ifpri.org/blog/COVID-19-related-trade-restrictions-rice-and-wheat-could-drive-prices-and-increase-hunger.
99 Future Directions International (2019). Fiji: Poor Nutrition and Agricultural Decline has Caused Food Security Slump. Retrieved from: http://www.futuredirections.org.au/publication/fiji-poor-nutrition-and-agricultural-decline-has-caused-food-security-slump/.
100 Ibid.
101 MEHA (2019). Policy on Distribution and Storage of Free Milk. Retrieved from http://www.education.gov.fj/wp-content/uploads/2019/04/Policy_on_Free_Milk.pdf.

the International Fund for Agricultural Development (IFAD) on the impact of COVID-19 on food and nutrition security.

Water, sanitation and hygiene

The WASH sector will mainly be impacted by COVID-19 through the loss of income of many households, and partly by higher import prices. In addition, children who may lack WASH facilities at home, and thus benefit from improved facilities at schools, will face a disadvantage regarding WASH during the school closure period. The impact pathway through school closures presents a real threat to improved WASH services to children. As a recent WASH report on Fiji's schools suggests, there is close to universal access to improved and functional sanitation facilities (98.6 percent)[102]; thus, while schools exhibit close to universal coverage in WASH, children who may not have access to such services at home will face a disadvantage during school closure. In households, a drop in income may result in an inability to pay for water bills. At the same time, imported goods prices may impact sanitation, as women's menstrual hygiene management may be affected through higher prices of sanitary pads. Outcomes of WASH regarding these impact pathways, are laid out in the following sections.

Water

As of 2015, 93.7 percent of the Fijian population had access to basic drinking water services, while 4.2 percent of the population still only had access to unimproved sources and 2 percent only to surface water. Regarding the population with access to improved water services, approximately 86.5 percent used a piped drinking water source, whereas 7.4 percent used a non-piped source. Access to drinking water in Fiji is below the regional average across PICs.[103] There are large discrepancies between urban and rural households as well, as 97.9 percent of the urban population has drinking water access, whereas only 88.8 percent in rural areas do.[104] With regards to COVID-19's impact on the sector, access to piped water may be affected by a household's income drop, as it can lead to financial difficulties to pay for the household's water bills. The Water Authority of Fiji (WAF) has suspended disconnections prospectively until 31 July 2020, to help ease financial difficulties faced by Fijians.[105] However, some households may still experience difficulties in paying water bills in the second half of 2020. This should be taken into consideration.

Utilising the methodology outlined in section 3, the impact of COVID-19 on households' access to piped water, in terms of their ability to pay for water bills, is estimated. As an immediate effect of the lockdown, between 765 and 2,519 households that previously were able to afford access to piped water, may not have it anymore. The number amounts to between 439 and 1,965 households by the end of 2020 and to between 221 and 1,284 households in 2021. In 2022, 630 households may still not be able to pay for their water bills (Annex 2AB). However, with disconnections temporarily suspended, few actual impacts may be found, contingent on measures being put in place that would prevent disconnections in the coming years as well. In addition to these effects, through its economic repercussions the pandemic may also delay the country in achieving universal access to piped water, which still needs to be achieved for 4.3 percent of the population, who have either limited or unimproved access to sanitation.

Sanitation and hygiene

According to 2017 estimates, improved sanitation coverage in Fiji is close to universal, as 95.7 percent of the population has access to basic services and only 3.8 percent has access to limited

102 School WASH SDG Report (2019).
103 UNICEF (2017). Situation Analysis of Children in Fiji.
104 Ibid.
105 Fiji Sun (27 May, 2020). Water Authority urges Fijians able to pay bill to do so. Retrieved from https://fijisun.com.fj/2020/05/27/water-authority-urges-fijians-able-to-pay-bill-to-do-so/.

services (shared between two or more households), with the coverage of sanitation services in Fiji being among the highest among all PICs. Moreover, there are only marginal differences between urban and rural areas (99.7 percent in urban and 99.1 percent in rural areas).[106] Since sanitation usage makes up part of a household's water bill, sanitation will be affected as well, if a household is unable to pay its water bills. In this case, a household may have to resort to either shared usage with another household or to unimproved sanitation facilities.

There is a lack of household level data on hygiene practices in Fiji as of now, and the 2015 Global School-based Student Health Survey (GSHS) for Fiji represents the only nationally representative data source on hygiene practices among children in the country. According to 2015 GSHS data, only 2.6 percent of pupils had never or rarely washed their hands after using the toilet/latrine during 30 days before the survey, however this survey only captures the hygiene behaviour of school children aged 13-17.[107] However, while hygiene practices may be improved throughout the country, the lack of access to piped water as a consequence of COVID-19 will affect hygiene practices in households significantly. This can in turn worsen children's health and nutritional outcomes: unimproved WASH contributes to childhood stunting and debilitating diseases like diarrhoea, thus impacting a child's long-term development.[108] On the other hand, COVID-19 may improve hygiene practices, especially regarding handwashing as the pandemic has led governments to lay more focus on this matter. The pandemic brings an opportunity to improve hygiene practices in the population, as the measures taken to mitigate the spread of COVID-19, are beneficial to counteract the spread of other diseases, and thus training and educating people, as well as improving public WASH facilities, can have significant long-term improvements. Refer to Annex 2E for an assessment by UN Habitat on the socio-economic impact of COVID-19 on urban systems in Fiji.

Menstrual hygiene management

In addition to handwashing, an important aspect of hygiene concerns menstrual hygiene management and thus, women's sanitary products. Pre-COVID-19, adolescent girls and women in Fiji had reasonably good access to sanitary products, as they have been available at affordable prices. However, there were already rural-urban discrepancies, as a much larger range and higher-quality products were sold in urban areas, whereas rural areas often only had poorer quality products available and women had more trouble accessing these, due to affordability challenges.[109] The price of sanitary pads, which are imported goods in Fiji, has surged by between FJD 0.5 and FJD3 per packet, now at FJD 3-7.[110]

With households facing additional economic difficulties, women may have to compromise on sanitary products to purchase 'more essential' items, such as food. As previous anecdotal evidence suggests, girls in Fiji may face shame at school when getting their periods without access to appropriate sanitary materials and facilities, which has shown to reduce school attendance during menstruation - among other things, such as lack of concentration - and also leads to girls' school dropout in some cases.[111] Thus, it is imperative to keep the price of sanitary pads at least at pre-COVID-19 levels, to prevent, among other adverse outcomes, additional negative impacts on girls' education. In addition to its impact on education outcomes, lacking

106 UNICEF (2017). Situation Analysis of Children in Fiji.
107 Ibid.
108 World Bank (2017). Millions around the world held back by poor sanitation and lack of access to clean water. Retrieved from: https://www.worldbank.org/en/news/press-release/2017/08/28/millions-around-the-world-held-back-by-poor-sanitation-and-lack-of-access-to-clean-water.
109 IWDA (2017). The Last Taboo: Research on menstrual hygiene management in the Pacific.
110 Tora (2020). 'Food over sanitary pads': women in Fiji struggling to cope with periods in the pandemic. Retrieved from https://www.theguardian.com/world/2020/jun/10/food-over-sanitary-pads-women-in-fiji-struggling-to-cope-with-periods-in-the-pandemic.
111 UNICEF (2017). Situation Analysis of Children in Fiji.

menstrual hygiene can pose physical health risks and has been linked to reproductive and urinary tract infections.[112] [113]

Gender-based violence and violence against children

Violence against women

In Fiji, levels of violence against women are among the highest in the world. Studies show that 64 percent of Fijian women who have ever been in a relationship have experienced physical or sexual violence by an intimate partner – a rate much higher than the global average of 30 percent.[114] When combining partner and non-partner violence, it is observed that 71 percent of Fijian women have faced physical and/or sexual violence – this figure is aligned with the data from other PICs, but is much higher than the world average of 35 percent.[115]

The COVID-19 lockdown had a negative impact on domestic violence, worsening a situation that was already amongst the world's worst. According to Fijian authorities, domestic violence complaints more than doubled during the months of March and April 2020 (Wasuka, 2020). Mobility has always been one of the most important barriers for women seeking help and support from either family members or government agencies, as abusive partners often place restrictions on women's mobility and limit contact with friends and family.[116] Lockdown measures add pressure to mobility concerns and might limit women's capability to seek support and shelter when needed, with a greater possible impact on the poorest women and on those women living in rural areas as most Police posts and social welfare offices in Fiji are located in urban areas.[117]

Poverty as a risk factor is not one of the biggest determinants for gender-based violence in Fiji. Violence against women is widespread – more than half of Fiji's women from the higher socio-economic groups experience intimate partner violence, figures only slightly lower than the national average of 64 percent. Nonetheless, poverty and economic pressures have a direct impact on women's ability to move away from an abusive relationship.[118] In general, Fijian women from all socio-economic groups have little financial autonomy – female labour force participation in Fiji is 38 percent, with a large concentration on informal employment. Additionally, earning an income is not a guarantee of controlling their money – in Fiji, 43 percent of women living with partner violence do not have control over their own earnings.[119]

Tourism is one of the economic sectors with the biggest number of female workers – over 30 percent of tourism's formal workforce in Fiji is comprised of women. In addition, tourism is also an important market for woman-owned small enterprises and informal employment (COVID-19 Response Gender Working Group, 2020). According to economic projections, tourism will be severely affected by the COVID-19 lockdown and its workers are projected to suffer an income drop varying between 10-20 percent. The consequences of the lockdown will be proportionally more impactful for women working in the sector, considering the high levels of informality and workers on minimum wages. Social protection programs focusing on supporting workers in risk groups should consider the importance of women's economic autonomy as a vital tool to break

112 Garg, R., S. Goyal, and S. Gupta, India Moves Towards Menstrual Hygiene: Subsidized Sanitary Napkins for Rural Adolescent Girls-Issues and Challenges. Maternal and child health journal, 2011.
113 House, S., T. Mahon, and S. Cavill, Module One: Menstrual Hygiene - The Basics, in Menstrual hygiene matters; A manual for improving menstrual hygiene around the world, 2012.
114 FWCC (Fiji Women's Crisis Centre). (2013). Somebody's Life, Everybody's Business: National Research on Women's Health and Life Experiences in Fiji (2010/2011): A Survey Exploring the Prevalence, Incidence and Attitudes to Intimate Partner Violence in Fiji.
115 Women, P. (2017). Ending violence against women. Roadmap Synthesis Report. Informing the Pacific women shaping Pacific development roadmap 2017–2022.
116 Ibid.
117 Ibid.
118 Ibid.
119 Ibid.

free from violence. Refer to Annex 2C for a diagnosis by UN Women on the impact of the crisis on gender-based violence.

Violence against children

Violence and abuse against children have increased in Fiji in the past year. Over 1,300 cases of abuse were reported in 2019, marking the highest number since 2016. According to the Director of Social Welfare, negligence is at the top of the list of child abuse cases (Radio New Zeland, 2020). Child sexual abuse is also a widespread concern in Fiji, as 16 percent of Fijian girls have suffered sexual abuse before the age of 15.[120] Studies show that being abused as a child brings long-term consequences to the continuation of the cycle of violence – 21 percent of women in Fiji who experience domestic violence have a partner that was beaten as a child.[121] Being a victim or a witness of constant abuse can have the effect of normalising this behaviour, and violence becomes part of the family dynamic and is reproduced for generations to come. Furthermore, girls who suffered sexual violence are more likely to suffer later in life from physiological and/or sexual abuse by their partners. Survivors of child sexual abuse might also suffer from depression, low self-esteem, and abuse of alcohol and illegal substances.[122]

With regards to the impact of COVID-19 on violence against children, an increase in the levels of physical and psychological abuse has been seen. Throughout the lockdown period there was an increase in the number of calls received by the national domestic violence helpline, with a significant amount of these calls relating to child abuse. Moreover, even in case the violence was not directly targeted at the child, an increase in domestic violence caused by the COVID-19 lockdown could be accompanied by an increase in the number of children witnessing their mother being abused. Living in an abusive environment has direct consequences on children's well-being, with children whose mother experiences violence being twice as likely to repeat years of schooling or even drop out of school.[123] In addition, witnessing their mother being abused contributes to a continuous cycle of violence – 40 percent of women who experience domestic violence have witnessed their mother being abused as a child.[124]

Additionally, the COVID-19 lockdown may cause an increase in the number of child sexual abuse cases, as abuse often happens within family members,[125] and stress levels among potential perpetrators was up and mobility among potential victims down as a result of COVID-19.

Child labour and exploitation

Child labour

Fiji has been recently selected as a pathfinder country to end child labour. In the past decade the Government of Fiji has changed and created legislations to guarantee children's rights, in addition to the implementation of social protection programs focused on children and investments in the educational sector. In 2019, these efforts were recognised by the ILO, which selected Fiji as a pathfinder country for SDG 8.7 'Ending Child Labour'.[126]

120 UNICEF. (2015). Harmful Connections: Examining the Relationship between Violence against Women and Violence against Children in the South Pacific. Suva: UNICEF Pacific.
121 Ibid.
122 Ibid.
123 Ibid.
124 Ibid
125 RNZ (May 5, 2020). Fiji records increase in domestic violence cases during COVID-19 lockdowns. Retrieved from: https://www.rnz.co.nz/international/pacific-news/415881/fiji-records-increase-in-domestic-violence-cases-during-covid-19-lockdowns.
126 https://www.fiji.gov.fj/Media-Centre/News/FIJI-LEADS-WORLD-IN-ENDING-CHILD-LABOUR.

Studies reveal a link between poverty and child labour in Fiji, as the poorest households might resort to child labour as a coping mechanism, with children engaging in economic activities reported to use the money to buy food for the family or help with the school fees of their younger siblings.[127] Child labour has a direct link to education outcomes, leading to school drop-out or lower school attendance - 18 percent of children working in Fiji's tobacco industry have reported missing school occasionally due to work obligations. School dropouts in Fiji increase from primary to secondary education – many who drop out before completing their studies tend to fall into low-paid jobs or even hazardous occupations.[128]

The COVID-19 crisis might cause setbacks in Fiji's best efforts to end child labour. School closures could act as a disincentive for children to remain in school. The increase in poverty caused by the economic crisis might result in households resorting to child labour as a coping mechanism. In addition, the lockdown period might increase the incidence of children, in particular girls, performing unpaid household services.[129] As previously mentioned in this report, as a consequence of the COVID-19 lockdown, Fiji might face an increase in poverty and a higher secondary school dropout rate. Therefore, Fiji's social protection programs that aim to alleviate the impacts of the COVID-19 crisis should take into consideration the possible consequences of poverty on child labour.

Exploitation

Reports show that commercial sexual exploitation of children continues to occur in Fiji. These incidents are usually performed by family members, foreign tourists, taxi drivers, business people and crew on foreign fishing vessels.[130] The most common forms of child sexual exploitation are prostitution, pornography and sex trafficking - often children involved in any of these activities are involved in all of them. In Fiji, sexual exploitation of children is more prevalent in urban areas and the person who facilitates the exchange is usually known to the victim.[131]

The main drivers for child sexual exploitation are poverty, homelessness and living away from parents.[132] The impacts of the COVID-19 lockdown are disproportionate on children from marginalised minority groups, street-connected and homeless, who are already more vulnerable to the worst forms of child labour. Furthermore, restrictions on movement might change the forms of abuse, with a possible increase in online sexual exploitation of minors.[133] As an appropriate response to the COVID-19 crisis, social protection programs need to address the increased challenges faced by the most vulnerable children, and Fiji legislation must tackle the multiple layers and forms of child exploitation.

Childcare and parenting

Early childhood care and education (ECCE) in Fiji mainly consists of childcare centres for children aged 2-5 years and kindergarten (for children aged 4-5 years). In 2015, the net enrolment rate for ECCE was at 85 percent (unfortunately, no data is available which distinguishes between childcare centres and kindergartens), while 98 percent of new primary school entrants had ECCE experience.

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127 ILO. (2010). Child labour in Fiji: A survey of working children in commercial sexual exploitation, on the streets, in rural agricultural communities, in informal and squatter settlements and in schools.
128 Ibid.
129 ILO (2020). COVID-19 impact on child labour and forced labour: The response of the IPEC+ Flagship Program.
130 ECOI. (2017). https://www.ecoi.net/en/file/local/2000495/Fiji.pdf.
131 ILO. (2010). Child labour in Fiji: A survey of working children in commercial sexual exploitation, on the streets, in rural agricultural communities, in informal and squatter settlements and in schools.
132 Ibid.
133 ILO (2020). COVID-19 impact on child labour and forced labour: The response of the IPEC+ Flagship Program.

The Government of Fiji supports families with its free education grant scheme for one year of kindergarten to 5-year-olds, thus the provision of one free year of pre-primary education is mandated in Fiji.[134] A study conducted by International Finance Corporation (IFC) from 2019[135] reports that among private sector employees, only 5 percent (Annex 2AC) of families report using formal childcare services for pre-school aged children while they are at work - the situation being different for public sector employees, where 13 percent make use of a day-care centre or kindergarten. Inadequate childcare highly impacts parents' performance at work; 60 percent of women and 56 percent of men report missing work due to childcare responsibilities.[136] Childcare costs for 2-4-year-olds are left entirely on the parents, as only the last year of kindergarten is free of charge.

Given that many households will experience a loss in income and potentially unemployment due to COVID-19, it is even more important that childcare is made accessible and affordable to all families with children aged 2-5; one in every four households in Fiji. The impact of the pandemic risks that even the small share of families relying on childcare centres or kindergartens pre-COVID-19 will not be able to afford to send their children there any longer due to a loss in income. Making childcare more accessible to families will remove barriers for parents to remain in or re-enter the workforce and ease financial difficulties. Improved access to childcare would especially benefit mothers, who are the most affected by lacking childcare services, as the report by IFC shows.

In addition, households with children were faced with increased difficulties during school closures, as childcare centres, kindergartens and schools closed down. According to EUS 2015/2016 data, 65.3 percent of Fijian households have children aged 2-18 years, and 17.08 percent of households have children of ECCE or school age (2-18 years of age) and a working mother. Thus, there is a high likelihood that in these households, the previously working mother had to stay at home during school and ECCE closure, if she was not facing unemployment due to COVID-19 in the first place. These effects of the pandemic on working mothers may even persist over time, due to high returns to experience in the labour market. Types of family arrangements will also play an important role, as especially single parent households will face difficulties, as the parent has to face the sudden spike in childcare needs by him or herself.[137]

Mental health and psychosocial support

In 2017, WHO reported that 30,568 Fijians were suffering from depression, a number which was partly this high because of the severe TC Winston, which hit Fiji in 2016.[138] The Mental Health ATLAS 2017 Member State Profile of Fiji[139] states a suicide mortality rate of 5 per 100,000 people. Regarding COVID-19, the main psychological impacts to date have been elevated rates of stress or anxiety, but with new measures such as quarantine, levels of loneliness, depression, substance abuse and self-harm or suicidal behaviour are also expected to rise.[140] WHO also puts special emphasis on vulnerable groups regarding mental health, such as healthcare and other frontline workers, informal or self-employed workers, migrants and refugees, women and children exposed

134 UNICEF (2017). 2017 Status Report on Early Childhood Care and Education in Pacific Island Countries.
135 IFC (2019). Tackling childcare: The Business Case for Employer-Supported Childcare in Fiji.
136 Ibid.
137 Alon, T. M., Doepke, M., Olmstead-Rumsey, J., & Tertilt, M. (2020). The impact of COVID-19 on gender equality (No. w26947). National Bureau of Economic Research.
138 RNZ (2017). WHO: 30,000 people in Fiji depressed. Retrieved from https://www.rnz.co.nz/international/pacific-news/328423/who-30,000-people-in-fiji-depressed.
139 Mental Health ATLAS (2017). Member State Profile Fiji.
140WHO (2020). Mental Health and COVID-19. Retrieved from https://www.euro.who.int/en/health-topics/noncommunicable-diseases/mental-health/data-and-resources/mental-health-and-COVID-19.

to abuse or violence and persons with pre-existing mental or physical health conditions or disabilities.[141]

Fiji has not been spared from increased mental health issues either, as a recent survey of young Fijians shows. According to the findings, 28 percent of respondents - who are between 20 and 24 years old - feel anxious most of the time. At the same time, a majority of respondents report to be making efforts to take care of their mental health by, among other things, staying connected to family and friends and engaging in their hobbies.[142] Based on the assumptions outlined in section 3, the following immediate mental health outcomes are estimated. Regarding the number of Fijians suffering from depression, an increase of between 3,057 and 6,114 cases can be expected. While the number of suicides pre-COVID-19 stood at approximately 45, immediately post-COVID-19, the number may increase by between 5 and 9 people. Treated cases of severe mental disorders may increase by between 45 and 91 cases. The increase in mental illnesses will require more resources allocated for mental health as well, as for example, between 14 and 16 mental health professionals will be required (see Annex 2AD). By the end of 2020, an increase of between 2,140 and 5,197 depression cases can be expected, along with an increase of between 3 and 8 cases of suicide (Annex 2AE). By 2021, depression cases may still be higher by between 1,223 and 4,280, the additional numbers being between 2 and 6 for suicide cases (Annex 2AF). By 2022, numbers may still see an increase due to the pandemic, with an additional 306-3,362 cases of depression (Annex 2AG).

The urban poor and informal settlements

Urban poor and informal settlement communities within Fiji face greater vulnerabilities to both the heath and socio-economic impacts of COVID-19, with the potential to push many more people into hardship and poverty. Crowded housing and dense neighbourhoods contribute to the spread of infectious diseases like COVID-19, where lockdown and physical distancing measures are impossible to apply, especially with the lack of access to clean potable water and improved sanitation, and use of shared facilities. A household survey conducted by UN-Habitat in 16 informal settlements across 4 four towns in Viti Levu found that 84 percent of households saw a loss of income and 40 percent of households reported that their income fell by more than half due to COVID-19. Given that many are employed in the informal economy with limited social protections, these reductions will impact purchasing capacities for basic food items, particularly for women-headed households. 37 percent of respondents were worried that the basic food items they had stocked would run out before they could purchase more as a result of COVID-19, with 24 percent reporting to have skipped a meal. An increase in food prices and lack of ability to grow or produce their own food will severely reduce food security, creating lasting impacts on physical wellbeing and cognitive development, especially for children. Additionally, informal settlements are often located in areas highly vulnerable to climate-related disasters such as flooding and cyclones, which combined with lower access to basic services and quality housing, further reduces the capacity to adapt to COVID-19, as witnessed during TC Harold.

2.4 Policy options and recommendations

Recommendations

The following section provides recommendations for each socio-economic sector covered in this report. Recommendations can be grouped into two main areas.

The first set of recommendations are directed at the **development of short- and medium-term social protection responses**. In addition to the immediate COVID-19 response in the

141 WHO (2020). Vulnerable Populations during COVID-19 response.
142 UNFPA (2020). Socio-economic impact assessment of COVID-19 in Fiji.

form of assistance for unemployed and specifically workers in hospitality through the Fiji National Provident Fund (FNPF), a wage subsidy to high-risk workers provided for three months can be an effective way to mitigate the economic shock on households. In addition, medium- and long-term responses can involve the expansion of existing programs, namely the C&P Allowance and the Poverty Benefit scheme. Results show that targeting all households with children or all households in poverty can have a significant impact on monetary poverty and socio-economic indicators. Impacts of these programs are outlined in section 6.

The second set of recommendations are directed at the **implementation of several sectoral initiatives** that can effectively mitigate the indirect effects of COVID-19 on outcomes such as health, mental health, nutrition and gender-based violence. Implementing these will ensure a holistic response to the economic shock of COVID-19. These sector-specific responses would ensure access to healthcare services (including mental healthcare), improve food security and dietary diversity, mitigate COVID-19's effect on education, school enrolment and child labour, and ensure that adequate water and sanitation is maintained for the population.

For some sectors, social protection responses are very effective at improving socio-economic outcomes (such as food security), while for other, such as healthcare, supplementary actions are highly recommended to be taken to ensure an overall mitigation of COVID-19's shock on the socio-economic development of Fiji's population.

Dimensions	Recommendation 1	Recommendation 2
Access to health care services	Expand (especially to rural areas) healthcare services; such as family planning, antenatal and post-natal care, childbirth care, full vaccination coverage, and early child preventive and curative care. These have positive impacts on maternal and child mortality.	Expand access to mental healthcare services by ensuring sufficient resources are available to provide services. This would specifically apply to an expansion of health centres; increase numbers of mental health professionals, psychiatrists, child psychiatrists, psychologists, and social workers, thus ensuring widely accessible outpatient care.
Food security and nutrition	Social protection programs targeted to households with children, especially those at risk of falling into poverty, guaranteeing household consumption of basic food items and dietary diversity even with the possible increase on the prices of food products.	Expansion and reinforcement of the free milk program in schools, in addition to school feeding for the most vulnerable children. These initiatives would have a positive contribution in addressing child malnutrition.
Education services	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.	Adapt school calendars, reduce the time dedicated to extra-curricular activities and have Saturday classes, to guarantee the completion of the school year. Not completing the school year could act as a disincentive to enrolment in the upcoming school year.

Water and sanitation services	Subsidise and guarantee access to menstrual hygiene products for the most vulnerable women and girls, who might not be able to afford the surge in prices. This would have a positive impact on gender equality and on girl's education.	Communication and awareness campaigns on the importance of handwashing even after the pandemic is over. Making sure that this habit is seen as an important tool to address different diseases as well as COVID-19.
Gender-based violence	Social protection programs that aim to reduce the impacts of COVID-19 lockdowns on poverty, particularly those targeting workers in the risk groups, can be used as instruments to address violence against women. Fijian women often engage in informal work and will be badly impacted by this economic crisis – guaranteeing women's economic autonomy can be an important tool to break free from violence.	Expansion and strengthening of the formal support system for women living with violence is recommended, in addition to the creation of an integrated model of service provision – such as a healthcare facility that integrates medical care, counselling, access to police and legal services, safe shelters and longer-term support if required. Groups such as the Fiji Women's Fund are already working on this and can be built upon.
Child labour and exploitation	Social protection programs targeted to households with children, especially those at risk of falling into poverty, could have a positive impact on reducing the incidence of child labour and school dropout. Additionally, initiatives targeted to incentivise enrolment and completion of secondary education can be effective not only in tackling child labour but also in reducing the long-term cycle of poverty.	Communication and awareness campaigns are important tools to engage the community in reducing incidence of child labour and exploitation. Reports show that many community members in Fiji do not recognise child labour as something necessarily negative and precarious to the child. Public awareness and understanding of the government's efforts to end child labour and exploitation are fundamental to the success of this endeavour.
Childcare, parenting, playtime and mobility	Subsidise childcare for children below the age of 5 (2-4-year-olds). This can have ripple effects on unemployment, productivity, poverty, gender equality, violence against children and improved educational outcomes.	Encourage and subsidise private sector provision of private childcare, which can increase availability of services throughout the country, and with that bring positive impacts on employment, poverty and gender equality.

Mental Health and psychosocial support	Ensure that people more likely to suffer from mental illness (such as healthcare workers, informal/self-employed workers, women and children) have access to mental healthcare services. This can be done through helplines for specific groups, counsellors at school or the expansion of services of existing support groups.	Increase the level of public awareness regarding mental health issues and on ways to deal with increased levels of anxiety or depression caused by the recent shock from COVID-19. This can be done by expanding mental healthcare services in schools and ensuring full access to mental healthcare services through several channels, such as clinics and helplines.
Housing and informal settlements	Ensure all residents, regardless of formality of dwelling, are protected from losing their homes and access to essential services as a result of COVID-19, including financial support mechanisms for those least able to make rent, mortgage and utility payments.	Make investments in affordable and accessible housing programmes and upgrading slums, reflecting the need for resilience.

Policy options: extending coverage of social protection programs

As the impact of COVID-19 has shown to increase poverty over the coming years, with associated negative impacts on various socio-economic outcomes for families and children in Fiji, several policy options are explored that may counter the negative impacts. Given the success of Fiji's existing social protection programs in tackling poverty and fostering the achievement of socio-economic improvements, the modelled options centre around extending the coverage of existing programs to affected populations or providing higher benefits to those already enrolled. Out of the existing direct transfer programs, the C&P Allowance and the Poverty Benefit scheme have been selected for modelling, given their overlap with populations impacted socio-economically by COVID-19. More information on these programs and the options modelled can be found in Box 2.2 and Box 2.3. In addition, the Government of Fiji's direct social protection response to COVID-19 is modelled, as well as a new program which could help alleviate the effects of the crisis, namely a wage subsidy.

Impact of social protection programs on poverty in Fiji pre-COVID-19

To start, the report assessed the impact of Fiji's existing social protection programs before the COVID-19 epidemic. Overall, the analysis found that direct social transfers reduce the poverty rate by 7.5 percentage points – from 32.6 percent to 25 percent – reducing it by a larger share in rural areas (9 percent or 145,130 people) than in urban areas (6 percent or 72,978 people). In addition, these programs reduce the poverty gap, from 10.5 percent to 6.8 percent, again with a higher reduction in rural areas, compared to urban areas (Annex 2AH). Based on this, these programs are amongst the government's most effective mechanisms to reduce poverty; and may be most relevant when designing a response to the COVID-19 pandemic in Fiji.

Impact of social protection programs on poverty in Fiji post-COVID-19

The analysis of the impact of social protection programs on poverty post-lockdown includes two programs in addition to the existing social protection programs, which were introduced by the government as an emergency response. Table 2.5 below outlines the additional programs included in the model.

Table 2.5. Social Protection responses included in the model

Benefit type	Benefits offered
Unemployment benefits for workers in the hospitality sector	Fijian workers in the hospitality sector who have lost their jobs or have had their hours cut since 1 February 2020 are able to access an initial FJD 1,000 from their FNPF accounts, with additional funds to be considered.
Unemployment benefits for employees	Employees affected by the nationwide stipulated physical distancing requirements, along with employees in the Lautoka confined area who have been placed on leave without pay or had their hours cut, and are able to access an initial FJD 500 from their FNPF accounts.

To assess the extent to which these social protection programs are able to counter this drastic increase in poverty, an analysis of their contribution to poverty reduction immediately post-COVID-19 is conducted. The assumptions made regarding COVID-19's impact on unemployment and reduced hours are laid out in Annex 2AI. To avoid an overlap of benefits in case a person is affected by the lockdown and working in hospitality, the assumption is made that in this case, the person will only receive the hospitality-related benefit and not the general unemployment benefit. In addition to the benefits analysed here, the government is also introducing direct transfers for people who tested positive to COVID-19. However, this program was not included in the model, as the number of people receiving this benefit is too small to have nationwide impacts on poverty levels. Using HIES 2013/2014 data, these two benefits were possible to model.

The results suggest that in **scenario 1**, the introduction of the new transfers reduces overall poverty by 1 percentage point in total – with 1.2 percent and 0.6 percent in urban and rural areas, respectively (Annex 2AJ), while in **scenario 2**, they show an impact of 1.7 percentage point poverty reduction overall – with 1.6 percentage points and 1.3 percentage points in urban and rural areas, respectively (Annex 2AK). In the more severe **scenario 3**, the new transfers show an impact of 2.6 percentage points poverty reduction overall – with 2.4 percent and 2 percent reduction in urban and rural areas, respectively (Annex 2AL), and the impact in **scenario 4** amounts to 4.1 percentage points poverty reduction overall – with 3.5 percent in urban areas and 3.7 percent in rural areas (Annex 2AM). Findings are again summarised in Annex 2AN.

Existing and new social protection programs thus have a significant impact on poverty levels in Fiji, both pre- and post-COVID-19. Depending upon the scenario, existing direct transfer social protection programs prevent between 73,000 and 85,000 Fijians from falling into poverty due to COVID-19, a significant number of them women and children. Moreover, the newly instituted programs prevent another 9,000 to 36,000 Fijians from falling into poverty, depending on the severity of the impact of the lockdown on income levels. However, even though the existing and new social welfare transfers have shown to reduce poverty rates, in each of the four severity scenarios poverty rates post-COVID-19 lockdown rise due to the anticipated lower economic output and a reduction in household income. The social transfers do not fully make up for the income loss experienced by households due to the lockdown and thereby do not fully cushion the effects of the lockdown on household poverty yet.

In the following sections, further policy options for Fiji are presented and their impacts modelled, comprising both immediate and long-term social protection responses. Boxes 2.2 to 2.4 provide more information on the policy options modelled.

Box 2.2. Wage subsidy policy options

The wage subsidy is a program implemented as a direct response to COVID-19 and the impacts on people's livelihoods. It targets all workers in high-risk sectors as defined by ILO, which also includes the hospitality sector – this sector being disproportionately affected by COVID-19. The wage subsidy is distributed to workers for a duration of three months and the benefit level amounts to a share of the worker's pre-COVID-19 wage.

To counter the impact of COVID-19on poverty, several scenarios regarding the wage subsidy are modelled. These scenarios consider a wage subsidy of 20, 40 or 60 percent of wages.

Box 2.3. C&P Allowance policy options

The C&P Allowance is an existing social protection program in Fiji that reaches around 2 percent[143] 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. The allowance is between FJD30 and FJD60 per month per child, depending on the age of the child and whether the child is living with a disability. Families can receive the allowance for multiple children, up to a minimum of FJD29 and a maximum of FJD127. In addition, families get a food voucher of FJD30.

To counter the impact of COVID-19 on poverty, health and education outcomes, several scenarios regarding the C&P allowance are modelled. These scenarios are:

- Extend the program to all households with children
- Extend the program to all single-parent households and households with children that have little labour capacity compared to their size (e.g. adults that can work)
- Extend the program to all households with children that only have workers in high livelihood risk categories
- Increase the benefit level for existing program beneficiaries.

Box 2.4. Poverty Benefit scheme policy options

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. A household receives FJD 30 per individual, up to a maximum of FJD 127 for a family of four, in addition to a FJD 50 food voucher for the family. The program is a poverty targeted scheme, using a proxy-means test, and aims to target the poorest ten percent of the population.

To counter the impact of COVID-19 on poverty, health and education outcomes, several scenarios regarding the Poverty Benefit scheme are modelled. These scenarios are:

- Extend the program to all persons in poverty;
- Increase the benefit level for existing program beneficiaries.

In the model, households receive the average C&P Allowance or Poverty Benefit per month. This amounts to FJD78 for the C&P Allowance and to FJD81 for the Poverty Benefit, while the same amounts are also distributed in the case of top-ups. For 2020, households receive these for the last six months of the year, while for 2021 and 2022, they cover the full year. In the following sections, only impacts of the most relevant programs are summarised. Impacts and costs of the remaining programs can be found in Annexes 2AR-AU.

143 UNICEF (2017). Situation Analysis of Children in Fiji.

Impact on poverty

Wage subsidy extended to all households with high-risk workers for three months

In the first version of the wage subsidy (20 percent of wages), the impact on poverty mitigation is between 1.57 and 1.82 percentage points and leaves between 227,681 and 289,180 people in poverty post-COVID-19. The second version of the wage subsidy (40 percent of wages), has an impact on poverty mitigation between 2.26 and 2.81 percentage points and leaves between 221,575 and 280,420 people in poverty post-COVID-19, while the most generous version of the wage subsidy (60 percent of wages) means the poverty rate falls by between 2.64 and 3.49 percentage points and leaves between 218,213 and 274,403 people in poverty post-COVID-19. It can be observed that the wage subsidy can bring poverty levels down to close to pre-COVID-19 levels – in the case of the most generous program with 60 percent of wages – as poverty falls to 24.66 percent, as compared to 24.21 percent pre-COVID-19. However, this is only the case in the best-case scenario; in the most severe scenario, the poverty rate may still be at 31.01 percent, even with distribution of the highest wage subsidy (Annex 2AO).

C&P Allowance extended to all households with children

In this scenario, the C&P Allowance is transferred to all households with children. With this program, the poverty rate may decrease by as much as 6.13 percentage points in scenario 1, to 19.3 percent and in the worst case, only to 24.7 percent – leaving it slightly higher than pre-COVID-19 levels. In 2021 and 2022, the poverty rate would decrease to below pre-COVID-19 levels: in 2021, it is projected to fall to 16.3 percent in the worst case, and to 15 percent in 2022 in the worst case (see Annex 2AP for more details). The impact of this program is quite large, which is due to the program's comprehensive coverage, presenting a significant extension of its coverage, relative to the current coverage. The total cost of this program amounts to FJD 267,068,188, which translates into 0.5, 1 and 0.9 percent of GDP in 2020, 2021 and 2022, respectively (Annex 2AQ).

C&P Allowance extended to all existing beneficiaries with a top-up

In this scenario, the transfer is extended only to existing beneficiaries, while giving an additional top-up, which in our model amounts to the average transfer. The numbers show that this version of the program has a relatively small impact on poverty: it would decrease poverty to 25.4 percent in 2020 in the best case, and only to 31.1 percent in the worst case, amounting to an impact of well below one percentage point. This is the same case for the following years, and poverty may still be at 25.9 percent in 2022, above pre-COVID-19 levels (Annex 2AV). The total cost of the program is quite low, relative to the previous programs; it only amounts to FJD 1,941,216 translating into costs below 0.01 percent of GDP for all three years (Annex 2W).

Poverty Benefit extended to all households in poverty

In this policy option, the Poverty Benefit scheme is extended to all households below the poverty line after COVID-19. As would be expected due to the poverty targeting, the impact is quite large and amounts to 7.3 percentage points in 2020 in the best-case scenario, and to 8.1 percentage points in the worst-case scenario. The poverty rate would here decrease to as low as 23.2 percent, even in the worst case in 2020, and to as low as 12.7 percent in 2022 (Annex 2AX). Since households are targeted according to poverty status, the coverage, and thus cost, change according to scenario. The cost would amount to FJD 111,177,922 in scenario 1, to FJD 116,687,989 in scenario 2 and to FJD 125,826,637 in scenario 3. In 2020, the program would cost between 0.2 and 0.3 percent of GDP; in 2021, it would increase to between 0.4 and 0.5 percent of GDP, and in 2022 decrease to around 0.4 percent, depending on the scenario (Annex 2AY).

Poverty Benefit with a top-up for existing beneficiaries

Lastly, the Poverty Benefit is modelled to reach all existing beneficiaries, with a top-up amounting to the average transfer. The table below presents the poverty impacts of topping up the Poverty Benefit scheme for existing beneficiaries. It can be observed that the poverty impact is relatively low, with only a 0.1 to 0.2 percentage point decrease in 2020 – leaving the poverty rate in the worst case still at 31.1 percent. In 2022, poverty may still be at 25.9 percent (Annex 2AZ). In line with the relatively low poverty impact, it only costs FJD 53,756,751.6 to implement the program, amounting to 0.101 percent of GDP in 2020, and to 0.192 and 0.189 percent of GDP in 2021 and 2022, respectively (Annex 2BA).

The impacts of all programs on poverty in Fiji in 2020 are summarised in Table 2.6 below.

Table 2.6. Impact of Social Protection Programs by the end of 2020

Social Protection Program	Impact on the poverty rate (percentage points)	Impact on the number of poor (number of people lifted out of poverty, by percentage point)
Wage Subsidy (20%)		
Scenario 1	1.57	13,893
Scenario 2	1.71	15,132
Scenario 3	1.82	16,105
Wage Subsidy (40%)		
Scenario 1	2.26	19,998
Scenario 2	2.42	21,414
Scenario 3	2.81	24,865
Wage Subsidy (60%)		
Scenario 1	2.64	23,361
Scenario 2	2.98	26,370
Scenario 3	3.49	30,882
C&P Allowance to all households with children		
Scenario 1	6.13	54,243
Scenario 2	6.40	56,633
Scenario 3	6.57	58,137
C&P Allowance to all single-parent households		
Scenario 1	0.75	6,637
Scenario 2	0.87	7,698
Scenario 3	0.75	6,637
C&P Allowance to all households with children and high-risk workers		
Scenario 1	3.65	32,298
Scenario 2	3.84	33,980
Scenario 3	4.01	35,484
C&P top-up to existing beneficiaries		
Scenario 1	0.09	796
Scenario 2	0.11	973
Scenario 3	0.18	1,593
Poverty Benefit to all households in poverty		
Scenario 1	7.25	64,154
Scenario 2	7.65	67,694

Scenario 3	8.05	71,233
Poverty Benefit top-up to existing beneficiaries		
Scenario 1	0.09	796
Scenario 2	0.11	973
Scenario 3	0.18	1,593

Impact on health outcomes

Non-communicable diseases

In the following, the health impacts of extending the six different social protection programs will be outlined. Regarding NCDs, it can be observed that some programs are highly effective at decreasing dropouts, and thus the number of additional children at risk of contracting an NCD. The C&P Allowance to all households with children, the Poverty Benefit scheme extended to all households in poverty and the C&P Allowance extended to all households with children and a high-risk worker, are highly effective, in contrast to the other programs (Annex 2BB & 2BC).

Maternal and child deaths

Regarding maternal and child deaths, the C&P Allowance extended to all households with children reduces additional maternal and child deaths to a maximum of between 40 and 1,535 in 2022, respectively (Annex 2BD). The C&P Allowance extended to all households with single parents and households with children with little labour capacity compared to their size may still leave additional maternal and child deaths at 45 and 1,744 in 2022 (Annex 2BE). As for the C&P Allowance extended to all households with children and workers in the high-risk group, maternal and child deaths decrease to a maximum of an additional 42 and 1,635 in 2022 (Annex 2BF). Regarding the C&P Allowance top-up given to existing beneficiaries, additional maternal and child deaths decrease to a maximum of 46 and 1,769 in 2022 (Annex 2BG). Looking at the Poverty Benefit scheme extended to all households in poverty, additional maternal and child deaths may decrease to a maximum of 39 and 1,147 in 2022, respectively (Annex 2BH). For the Poverty Benefit scheme given to all existing beneficiaries with a top-up, additional maternal and child deaths decrease to a maximum of 46 and 1,769 in 2022 (Annex 2BI).

Thus, in conclusion, the Poverty Benefit extended to all households is by far the most effective in decreasing additional maternal and child deaths, while the C&P Allowance extended to all households with children is almost as effective for maternal deaths. Finally, both top-up options still leave additional maternal and child deaths close to unmitigated levels, only achieving a 10.2 percent decrease for maternal and 9.88 percent decrease for child deaths, in contrast to, for example, the Poverty Benefit extended to all poor households, where the reduction amounts to 24.5 percent and 41.57 percent by 2022, respectively (see Annexes 2BJ-BL for more detail on different impacts among transfers).

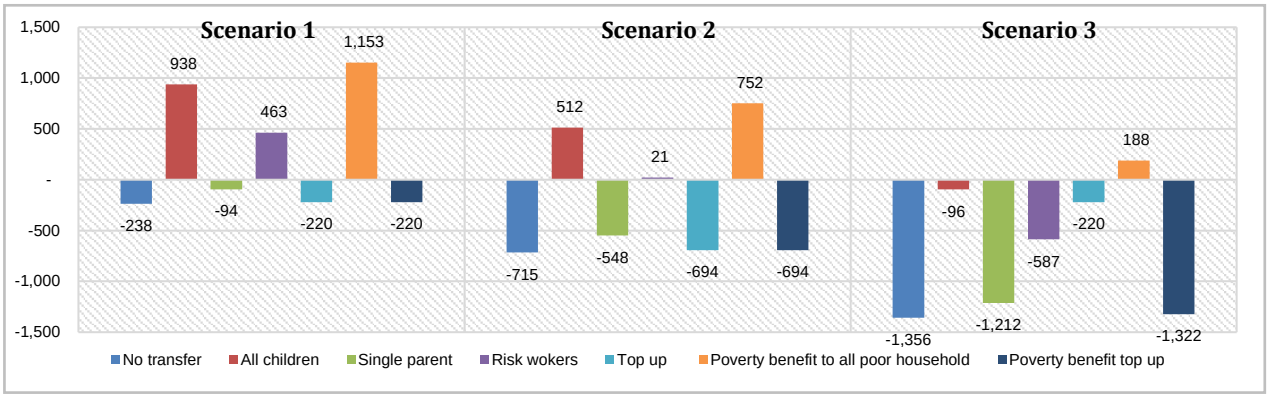
Impact on education outcomes

Considering the extension of social protection coverage or the top up of existing programs, different secondary dropout rates can be projected. Overall, it is observed that more comprehensive social protection programs have a bigger impact on poverty reduction and can promote an increase on secondary school enrolment, whilst in most scenarios the top-up to existing beneficiaries' alternatives have lower impacts on secondary school enrolment.

In Figure 3.3 below it is observed that in scenarios 1 and 2, social protection could increase secondary school enrolment to levels above pre-COVID-19 figures in 2020 already. Within this, the C&P Allowance to all households with children, the C&P Allowance to households with

children and only high-risk workers and the extension of the Poverty Benefit to all household in poverty are expected to generate the most positive impacts in enrolment.

Figure 2.3. Secondary school enrolment by social protection program, compared to pre-COVID-19 levels (2020)



Impact on nutrition outcomes

Lastly, the impacts of these programmatic options on nutrition is assessed. First, the impact of social protection on obesity rate increases is investigated. When extending the C&P Allowance to all households with children, the obesity rate may only increase by 0.94 percent by the end of 2020 in the worst case, with the second program (C&P Allowance to all households with single parents) achieving a lower impact at between 0.34 percent and 1.85 percent higher obesity rate. In comparison, the C&P Allowance extended to all households with children and a high-risk worker performs better, at an increased obesity rate of between 0.08 and 1.57 percent. The Poverty Benefit extended to all poor households leads to an increase of the obesity rate of maximum of 1.25 percent. Both top-up options perform relatively poorly, with an increased rate of between 0.41 and 1.93 percent (C&P) and 0.42 and 1.63 (Poverty Benefit) (Annex 2BM).

When extending the C&P Allowance to all households with children, the food poverty rate stands at only 4.85 percent by the end of 2020 in the worst case (still 2.35 percentage points higher than pre-COVID-19), whereas with the second program (C&P Allowance to all households with single parents) food poverty would be between 6.23 percent and 8.2 percent (5.7 percentage points higher than pre-COVID-19). In comparison, the C&P Allowance extended to all households with children and a high-risk worker performs better, with a food poverty rate between 5.78 and 7.44 percent (4.94 percentage points higher than pre-COVID-19). The Poverty Benefit extended to all poor households leads to a food poverty rate of maximum 4.22 percent (1.72 percentage points higher than pre-COVID-19). Both top-up options perform relatively poorly, with a food poverty rate of between 6.46 and 8.45 percent (C&P) and 6.43 and 8.4 (Poverty Benefit) (Annex 2BN).

PILLAR 3: Economic Response and Recovery – Protecting Jobs, Small and Medium Sized Enterprises, and Informal Sector Workers

3.1 Introduction

Pre-COVID-19 situation in Fiji (labour, tourism and the informal sector)

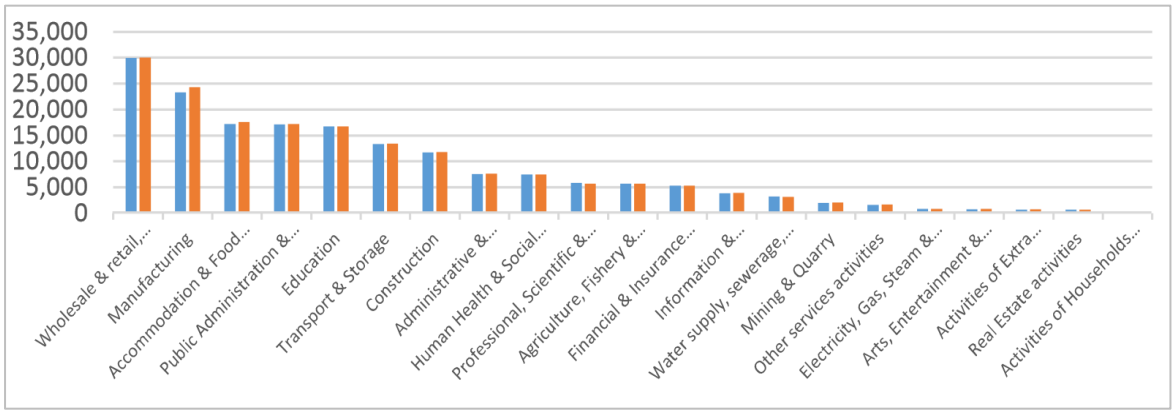
The labour market in the Pacific including Fiji before COVID-19 was characterized by underemployment, high levels of informality, gender disparities in employment outcomes, and a large and growing share of young people entering jobs market with limited options in the formal sector.[144] In 2018 the unemployment rate in Fiji was around 4.6 percent while youth unemployment was around 15 percent. Informal economy was around 66.2 percent of the overall economy; with more than half being women, and 70 percent of informal workers had just primary education. The informality is most prevalent in Agriculture (24.3 percent), Domestic workers (22.2 percent) and wholesale and retail (13.7 percent). The Fiji Islands Bureau of Statistics reported that in 2018, there were 176,781 waged and salary earners in Fiji.

Table 3.1 Paid employment by wage and salary

Paid Employment by Wage & Salary[145]			
	2017	**2018**	**Percentage change**
Total employees	174,833	176,781	1.1
Wage earners	103,093	103,824	0.7
Salary earners	71,740	72,957	1.7

In 2017 and 2018, the three top sectors formally employing people in Fiji, apart from the Government, were wholesale and retail, manufacturing and tourism.

Figure 3.1 Waged employment by sector 2017 and 2018



[144] ILO, ADB: Improving Labour Market Outcomes in the Pacific – Policy Challenges and Priorities, 2017.
[145] Fiji Islands Bureau of Statistics.

Though the economic growth and labour market outcomes are hindered by the size and remoteness of PICs, there were promising signs in the region's tourism, niche agriculture and fishing sectors during the pre-COVID-19 era. Although PICs including Fiji stand to benefit from the young and growing population, labour markets are simply not producing enough jobs and as a result they are migrating in high numbers.[146] The ILO-ADB report[147] on 'Labour Market Outcomes in the Pacific' had cautioned that the need for "enacting migration policies that lead to positive labour market outcomes requires a careful balance, while migration can contribute to positive development in sending countries, there is also a real risk of skills shortages as educated workers leave". The challenge in building good migration policy, then, is aiming for a "triple-win" scenario that benefits the receiving country, the sending country and the migrants themselves.[148]

A snapshot of the economic and labour market situation in Fiji before COVID-19 is provided below.

Table 3.2 An overview of the economic and labour market situation pre-COVID-19[149]

	2015	2016	2017	2018
Population, total	868,627.0	872,399.0	877,459.0	883,483.0
Population growth (annual %)	0.3	0.4	0.6	0.7
GNI, PPP (current international $)	10,308,799,287.8	10,553,282,129.3	11,065,468,550.2	11,648,368,156.5
GNI per capita, PPP (current international $)	11,870.0	12,100.0	12,610.0	13,180.0
Life expectancy at birth, total (years)	67.1	67.2	67.3	67.3
GDP (current $)	4,682,546,863.1	4,930,204,219.7	5,353,404,418.7	5,536,759,658.9
GDP growth (annual %)	4.7	2.5	5.4	3.5
Agriculture, forestry, and fishing, value added (% of GDP)	7.9	10.7	10.5	10.7
Industry (including construction), value added (% of GDP)	15.2	16.2	15.7	15.6
Revenue, excluding grants (% of GDP)	25.7	25.6	27.2	26.4
Time required to start a business (days)	58.0	40.0	40.0	40.0

146 Ibid.
147 Ibid.
148 Ibid.
149 World Bank- World Development Indicators, ALFRED Economic Data.

Domestic credit provided by financial sector (% of GDP)	66.4	67.9	67.2	70.4
Tax revenue (% of GDP)	23.7	23.5	24.7	24.2
Merchandise trade (% of GDP)	63.6	65.8	63.1	67.9
National unemployment rate	4.36	4.32	4.24	4.16
Youth unemployment rate	14.9	15.15	15.07	15.16
Female unemployment rate	5.2	5.5	5.5	5.4
Total debt service (% of exports of goods, services and primary income)	12.9	2.5	1.8	2.0
Net migration	..	..	-31,008.0	..
Personal remittances, received (current $)	251,175,102.7	269,109,464.5	274,232,982.6	285,451,765.9
Foreign direct investment, net inflows (BoP, current $)	205,373,209.1	391,619,655.4	387,602,565.3	468,861,002.9
Net official development assistance and official aid received (current $)	102,480,003.4	117,419,998.2	145,899,993.9	111,110,000.6

In 2018 the Ministry of Employment, Productivity and Industrial Relations with the technical support of ILO launched Fiji's first five-year National Employment Policy (NEP).[150] The NEP not only was aligned to Fiji's ratification of ILO Convention 122, but it also complemented the government's five-year and 20 year development plan and the SDGs. The ten priority areas ranged from promoting employment among youth, women and persons with disabilities, investing in local businesses, increasing foreign employment, boosting action on just transition including green jobs, and promoting good faith employment relations and safe and productive work places.

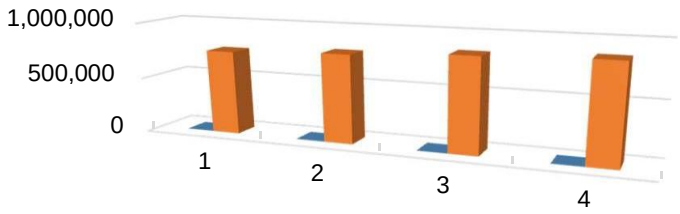
During pre-COVID-19 years, multiple reports[151] had highlighted the need to coordinate economic and employment policies among relevant ministries and stakeholders, encourage and facilitate small- and medium-sized enterprise development, expand income generation opportunities for subsistence and informal workers in Fiji, strengthen the quality and relevance of education and technical and vocational education and training, promote greater coordination between institutions and industry sectors to keep curriculum aligned to industry needs, and strengthen labour market policies and institutions. Tables below provide an overview on the number of employees in the formal sector and distribution in different sectors.

150 https://www.ilo.org/suva/public-information/WCMS_644323/lang--en/index.htm.
151 ILO, ADB "Fiji-creating quality jobs – employment diagnostic study, 2015; ILO, ADB: Improving Labour Market Outcomes in the Pacific – Policy Challenges and Priorities, 2017.

Tourism's contribution to employment and Fiji's economy

Tourism, which contributes to nearly 40 percent of Fiji's GDP, directly employs around 40,000 Fijians, and nearly 100,000 indirectly, both in the formal and informal sectors. In 2017 and 2018, the tourism industry was the third-highest waged employer in Fiji. According to Fiji Bureau of Statistics, nearly 900,000 tourists arrived on Fiji shores representing an overall growth of 4.2 percent for 2018-2019. In 2019, Fiji's tourism revenue was just over FJD 3 billion, comprising FJD 2,080 million in total tourism earnings and FJD 958 million in provision of air passenger services.[152]

Figure 3.2 Fiji visitor arrivals 2015-2018



	1	2	3	4
Year	2015	2016	2017	2018
Total	754,835	792,320	842,884	870,309

Fiji's large informal economy

In the Pacific, including Fiji, the contribution of the informal economy has been unseen and undervalued for many years, but this sector has been the natural absorber of those leaving the rural agricultural sector as well as those who could not get jobs in the formal (public and private) sector. According to some estimates the incidence of informality of economic activity is extremely high in Melanesian and Micronesian countries (60-85 percent) and it is increasing in Polynesian countries (40-60 percent). The informal economy's contribution to the GDP of some Pacific countries ranges between 20-50 percent and provides self- and wage employment to more than half the country's working population.

However, informal workers, particularly women, tend to occupy the bottom of the economic pyramid, with less protection and flexibility than their formal counterparts. Informal businesses in times of economic hardships and natural disasters (such as the recent TC Winston and now in the pandemic) have no cushion to fall back on, and have no option but to keep operating or working. In addition, as more people, particularly youth, crowd into the informal economy, the net result is more and more firms or individuals competing for smaller and smaller slivers of a shrinking (informal) pie. Unemployment, in this instance, is eclipsed as an issue by increasing impoverishment - the working poor becoming poorer. In other words, it creates a set of new "emerging working poor".[153] The foundation of societies is shaken and insecurity breeds

152 ANZ Research, Pacific Insight, 15 June 2020; Multiple reports of ILO, UNDP, ADB, World Bank and other academic research papers.

153 Asif Chida "Empowering Informal Economy in the Pacific – The way of addressing inequality and social exclusion through sustainable businesses" 2014. Former Rapporteur UN Commission on legal empowerment of the poor.

violence, conflict, and crimes. Everyone is affected. It is everyone's business to build a firmer, more resilient base for the economic activity of the majority. This can be achieved only by empowering the informal economy.

An overview of the informal economy[154] in Fiji is provided below in different tables and graphs indicating its size, share and composition of employment, gender and education levels of workers, and sectoral distribution, among other details.

[154] ILO analysis EUS Fiji, 2016.

Overview of the informal economy in Fiji

Source: EUS, 201

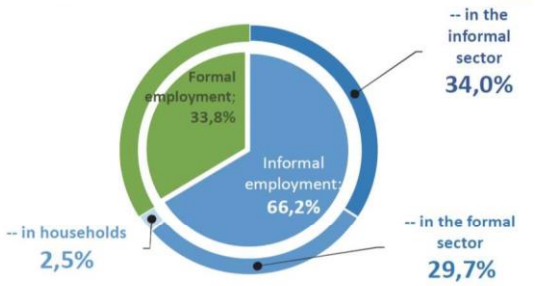
Questions—Comments

1 Share and composition of informal employment*, by sex (%)

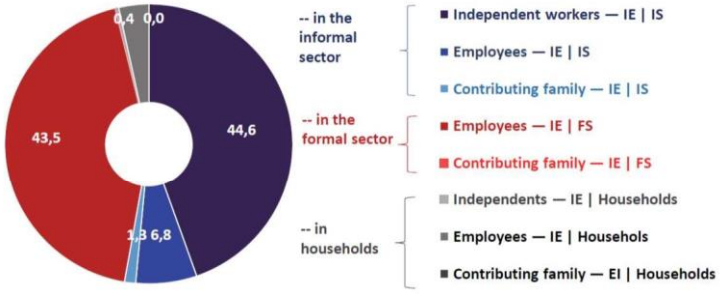
	Men	Women	Total
Informal employment (%), of which:	**66,3**	**66,1**	**66,2**
-- in the informal sector	54,0	46,1	51,4
-- in the formal sector	45,2	44,2	44,9
-- in households	0,7	9,7	3,7
Informal sector units (%)	84,0	83,9	84,2
Informal employment, excluding agriculture	**61,2**	**63,7**	**62,1**
-- in the informal sector	41,5	40,4	41,1
-- in the formal sector	57,4	48,5	54,0
-- in households	1,1	11,1	4,9
Informal sector units, excluding agriculture (%)	81,3	81,0	81,6

Estimates of informal employment follow the ILO harmonized definition and ILO estimates may differ from national estimates.
For more details, see: *Women and men in the informal economy: A statistical picture (Third edition)*.

Share and composition of informal employment, total (%)



3 Composition of informal employment: What is the prevalent form of informality in the country?



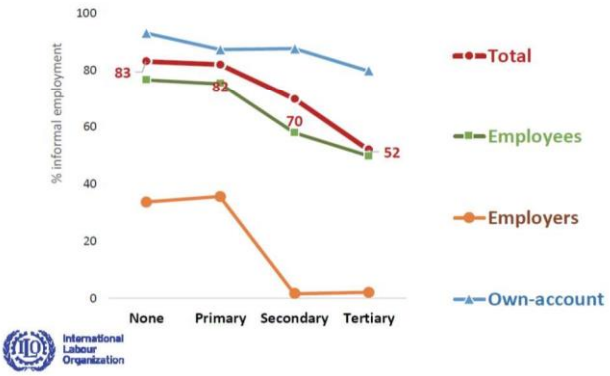
Shares in total informal employment of:	T	M	W
Independent workers — IE | IS	44,6	45,6	42
Employees — IE | IS	6,8	8,2	4
Contributing family — IE | IS	1,3	1,1	1
Employees — IE | FS	43,5	44,2	42
Contributing family — IE | FS	0,1	0,0	0
Independents — IE | Households	0,4	0,3	0
Employees — IE | Households	3,4	0,4	9
Contributing family — IE | Households	0,0	0,0	0
Total	100,0	100,0	100

Note: **IE**= Informal Employment; **IS** = Informal Sector; **EI** = form
Employment; **FS** = Formal Sector

4 Distribution of informal & formal employment by employment status (%)

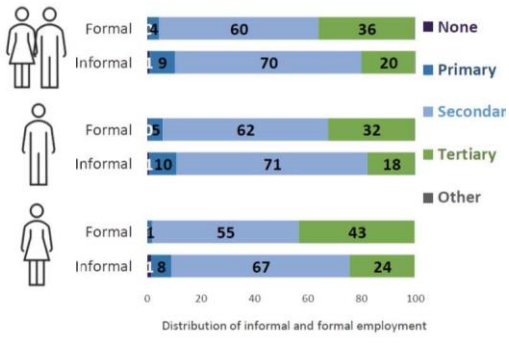
Informal employment depending on employment status (%)

6 Share of informal employment by education level (%)



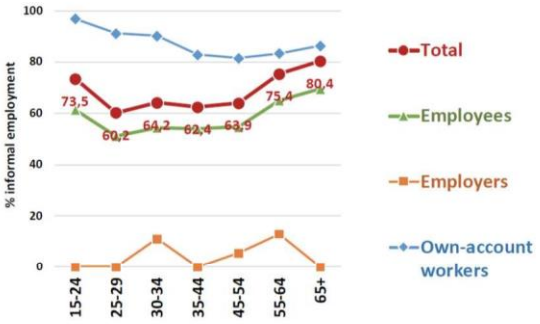
International Labour Organization

Distribution of informal employment by level of education (%)

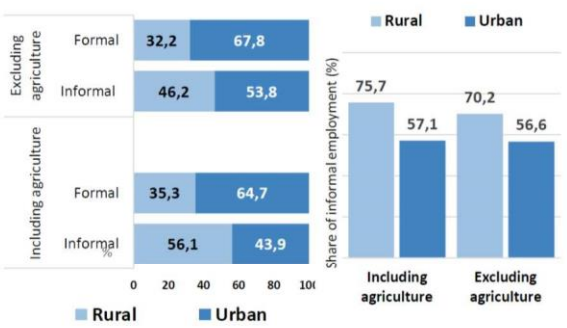


Informality | Country fa

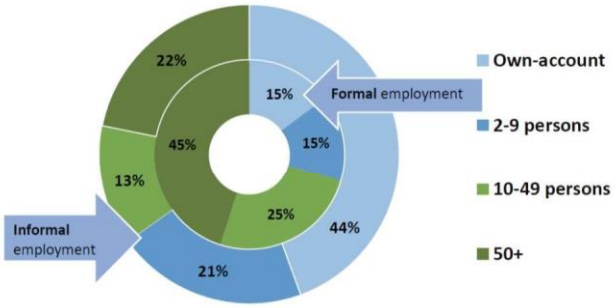
8 Share of informal employment depending on age group (%)



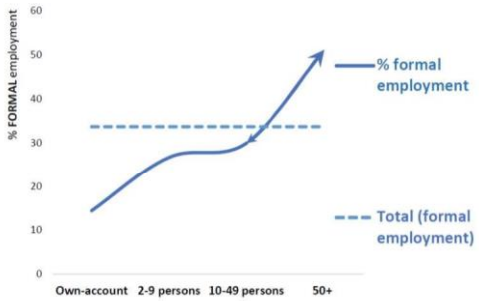
9 The rural-urban dimension of informality



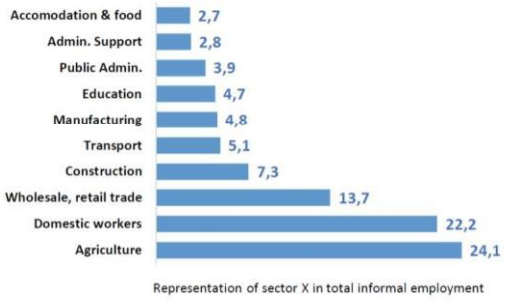
10 Distribution of informal & formal employment by enterprise size (%)



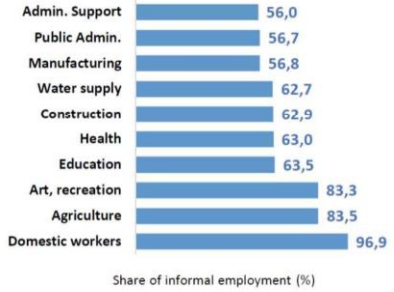
11 Share of informal employment and size of enterpirises (%)



12 The sectoral dimension: The 10 sectors the most represented in the informal economy

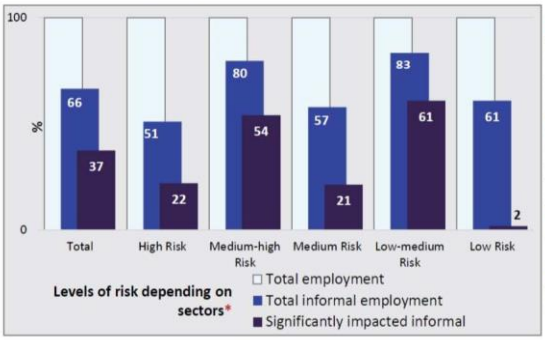


13 The 10 sectors the most exposed to informality



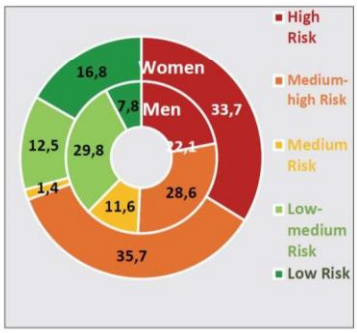
14 The impact of COVID-19 pandemic on the informal economy

Proportion of informal economy workers significantly impacted



High risk sectors: Wholesale and retail trade, repair of motor vehicles, motorcycles; Manufacturing; Accommodation and food services; Real estate; business and administrative activities.
Medium-high risk sectors: Arts, entertainment and recreation, domestic workers, and other services; Transport, storage and communication.
Medium-Risk sectors: Construction; Financial and insurance services; Mining and quarrying.
Low-Medium risk sector: Agriculture, forestry and fishing.
Low-risk sectors: Human health and

Sectors most represented among informal workers significantly impacted by the crisis



Overview of immediate impacts in the tourism sector, labour markets and for unemployment

Jobs in the tourism sector impacted immediately

As early as late March 2020, the Fiji Hotels & Tourism Association announced that 93 percent of its 279 members had closed down due to the drastic decline in tourists. Tourism contributes nearly 40 percent of Fiji's GDP, and directly employs around 40,000 Fijians and nearly 100,000 indirectly both in the formal and informal sectors. In 2019, Fiji's tourism revenue was just over FJD 3billion, comprising FJD 2,080 million in total tourism earnings and FJD 958 million in provision of air passenger services. In June, the Australian tourism minister was reported[155] to say that Australians may not be able to travel until 2021 and to consider local travel and tourism activities. New Zealand and Australia make up more than 60 percent of tourist arrivals into Fiji and it is not clear if Fiji will be included in the travel bubble.

Labour market conditions have worsened

The Reserve Bank of Fiji's (RBF) May 2020 Economic Review[10] highlighted subdued demand as well as lower household and business confidence in consumption and investment indicators. The RBF Economic Review June 2020 [156] again highlighted the continued weakening domestic economy and stressed that overall labour market conditions had worsened. In April, domestic credit growth slowed by 4.2 percent (from 7.9 percent in April 2019) on account of reduced lending to private sector business entities and private individuals. Overall labour market conditions have worsened, with further announcements of reduced hours, lowered income or employees being laid-off temporarily or permanently, in tourism, taxi and small and micro enterprise sectors. The review also sighted a significant drop in job advertisements, down 42.5 percent. The RBF Economic Review June 2020 also revealed that the number of jobs advertised contracted by a significant 48.8 percent on an annual basis up to May, indicating depressed recruitment intentions and business activities and further highlighting credit aggregates were reflective of the economic contraction in the review period. Domestic credit growth decelerated to 3.0 percent in May 2020 due to reduced lending to private sector business entities.

FNPF withdrawals increasing but currently less compared to TC Winston levels

By 15 June 2020, the FNPF[157] confirmed that 86,854 applications were lodged. 77,507 applications had been processed with FJD 49.1 million paid out. The RBF Economic Review June 2020 revealed that by 30 June 2020, a total of 85,959 members had received around FJD 54.2 million in phase one, while 15,920 members would be paid around FJD 17.5 million in phase two over a period of 10 weeks. Compared to TC Winston, the total funds withdrawn are just 20 percent (TC Winston, FJD 276 million), and 48 percent (TC Winston,180,000) had

155 https://www.news.com.au/travel/travel-updates/health-safety/coronavirus-australia-borders-likely-to-stayclosed-until-2021/news-story/8a1c8e41dd412c20ff1b4704832adf4b 10 https://www.rbf.gov.fj/Publications/RBF-Economic-Review-May-2020.

156 https://www.rbf.gov.fj/Publications/Economic-Review-June-2020.

157 https://myfnpf.com.fj/index.php/covid-19-updates/media-release/389-fund-s-services-normalise-77-507members-receive-covid-19-relief.

received assistance. This could be a result of better management of the funds by FNPF and working through the employers.

Spike in unemployment, economy to contract

Recent ANZ released projections[158] estimate that by the end of 2020:

- GDP will decline by 13 percent,
- Remittances are likely to drop by 18 percent
- Private consumption will decline by 2.6 percent
- Government expenditure will decline by 3.7 percent
- Investment will decline 4.7 percent
- Exports will reduce by 40 percent and imports by 23.1 percent

On 2 July 2020 the RBF released Growth Projections[159] reporting a spike in unemployment, as many businesses have scaled back or shut down operations. The retrenchment in consumption and investment activities along with the plunge in external trade will place additional downward pressure on Government's tax collections. Against this backdrop, the Fijian economy is projected to contract by 21.7 percent in 2020 – the most severe contraction in our modern history.

ILO Policy Framework

In response to the pandemic, ILO has developed a policy framework for tackling the economic and social impact of the COVID-19 crisis which include: (1) balancing support for enterprises and workers and their families; (2) the crisis should not derail the normative framework, international labour standards, Decent Work Agenda and the 2030 agenda of SDGs; (3) social dialogue remaining at the heart of policy making during the crisis, and (4) the need for global solidarity and partnerships with international agencies and financial institutions, with donor countries not to leave behind the most vulnerable member states.

Figure 3.3 ILO Policy Framework and four pillars

158 ANZ Research, Pacific Insight, 15 June 2020.
159 https://www.rbf.gov.fj/Publications/Press-Release-No-18-Revised-Growth-Projections-f.

International Organisation of Employers and International Trades Union Confederation[160]

In April 2020, International Organisation of Employers (IoE) and International Trades Union Confederation (ITUC) released a joint statement acknowledging that COVID-19 will also have major economic and employment impacts, and millions of companies worldwide are in danger of being forced out of business with grave impacts on employment. It further recommended that "*we need to act now quickly and responsibly, minimising the social and economic consequences. We need to find innovative solutions for the masses of workers and businesses who will be impacted through labour market resilience, support and adaptation to limit the unemployment fallout and the loss of income due to the Covid-19 outbreak*". IoE and ITUC called for urgent action in the following key areas:

- Business continuity, income security and solidarity are key to prevent the spread and protect lives and livelihoods and build resilient economies and societies. For this, the global economy needs urgent measures and policies that reach the real economy, workers and business, especially micro, small and medium enterprises (MSMEs). Supply chain disruption for medical products, food and other essentials must be minimised through intergovernmental cooperation
- We stress in the strongest terms the important role that social dialogue and social partners play in the control of the virus at the workplace and beyond, but also to avoid massive job losses in the short and medium term. Joint responsibility is needed for dialogue to foster stability.
- Policy coordination and coherence is of the essence. The UN, and especially the WHO, must take into consideration the need for protecting employment and income through strengthening social protection measures in both the resolution of the pandemic and in setting the foundation for the employment and economic conditions for recovery and must recognise the key role the ILO plays and collaborate in urgently tackling the social and economic consequences of the COVID-19 crisis.
- Strong and functioning health systems are key to combatting a pandemic. Employers' and Workers' Organisations (under the leadership of IOE and ITUC) urge governments to deploy all possible resources, but we are also ready to support Governments in their effective use of health facilities and resources, especially in those areas where the health systems are weak or where the pandemic is spreading particularly fast.
- The 2019 ILO Centenary Declaration for the Future of Work contains critical elements that are key to any long-lasting and sustainable response to pandemics including the COVID-19.

160 http://28april.org/?p=3414.

Initial Responses

Government of Fiji immediate responses

The Government of Fiji swiftly announced a stimulus package on 27 March 2020. As a further response to meet the pandemic crisis, special funding streams were committed by ADB, World Bank, and the Australian and New Zealand Governments, among others.[161]

A. General Information

- FJD 1 billion COVID-19 stimulus package announced together with FNPF.
- Fiji economy projected to contract by 4.3 percent this year.
- Debt to GDP ratio to increase to 60.9 percent in 2020. Economic rebound and stronger revenues expected following COVID-19 pandemic.
- ADB to top up its previously-pledged funding of $100 million by up to $100 million more. World Bank offering $5.5 million from its COVID-19 facility.
- Australian Government has committed FJD 15.4 million in budget support to the Government of Fiji to boost it COVID-19 response in addition to initial FJD 1.5 million.
- New Zealand Government has committed FJD 7.72 million budget support to the Government of Fiji in addition to initial support of FJD 4.47million.
- Downturn in tourism industry expected to impact GDP by 38 percent.
- Tertiary Education Loan repayments suspended until 31 December 2020

B. Tax measures – Direct and Indirect

A comprehensive summary of jurisdictional tax measures and government relief in response to COVID-19 can be found here: https://home.kpmg/xx/en/home/insights/2020/04/fiji-tax-developments-inresponse-to-covid-19.html.

C. Economic stimulus measures

FNPF

- Effective from 1 April 2020 to 31 December 2020, reduction in employee and employer FNPF contributions from 8 percent and 10 percent to 5 percent respectively.
- Fijian workers in the hospitality sector who have lost their jobs or have had their hours cut since 1 February 2020 are able to access an initial FJD 1,000 from their FNPF accounts, with additional funds to be considered.
- Employees affected by the nationwide stipulated physical distancing requirements, along with employees in the Lautoka confined area, who have been placed on leave without pay or had their hours cut, are able to access an initial FJD 500 from their FNPF accounts.
- Government to directly subsidise any shortfall in members balance.

161 https://home.kpmg/xx/en/home/insights/2020/04/fiji-government-and-institution-measures-in-response-tocovid.html

RBF

- Maintain the Overnight Policy Rate at 0.25 percent.
- Expand the Natural Disaster and Rehabilitation Facility to include businesses affected by epidemics/ pandemics. Renamed Disaster Rehabilitation and Containment Facility.
- Total allocation for the facility is now FJD 60million. Businesses affected by COVID-19 can access funds under this facility through commercial banks, licenced credit institutions or Fiji Development Bank at a maximum interest rate of 5.0 percent.

Expenditure

- Additional FJD 40 million to enhance health system's response capacity.
- Additional FJD 20 million to education and social welfare respectively.
- Additional FJD 1 million allocation towards Ministry of Agriculture to bolster Fiji's food security.
- FJD 50 million to the Fiji Sugar Corporation (FSC) to fund cane delivery payments.
- Additional FJD 5 million to be added to the small and medium enterprises credit guarantee scheme.

D. Other measures and sources

- Informal sector in the lockdown areas entitled to one-off Government of Fiji relief payment of FJD 150 where holding a street trader or hawker license.
- Government of Fiji to fund 21 days COVID-19 leave for Fijian employees earning less than FJD 30,000 who have tested positive for the virus.
- Fijians in the informal sector who tested positive for the virus to be paid a one-off sum of FJD 1,000.
- Banks and hire purchase companies to offer six-month deferral of loan repayments for Fijians who have lost their jobs or had their hours reduced. Also available to businesses.
- Banks to waive all charges on minimum balances in customer's accounts and remove minimum purchasing requirement for electronic transactions.
- Fiji Investment Corporation Limited to be revived for equity injection into SMEs.
- Conversion of Government of Fiji loans to equity in FSC, Pacific Fishing Company (PAFCO), Fiji Rice Limited, Food Processors Limited and Viti Corp Company Limited.
- Government to acquire FNPF and Fijian Holdings Limited's shares in the FSC.
- WAF to suspend all disconnections until 31 December 2020.
- Energy Fiji Limited to match Government of Fiji's 50 percent subsidy to its subsidised customers.
- 20 percent pay cut for elected officials for the next six months.
- Pensioners monthly travel allowance reduced from FJD 40 to FJD 20.

Bipartite recovery action by Fiji Trades Union Congress and the Fiji Commerce and Employers Federation

On 1 July 2020 Fiji Trades Union Congress (FTUC) and Fiji Commerce and Employers Federation (FCEF), supported by ILO, signed a Memorandum of Agreement jointly implementing their first COVID-19 recovery initiative called *'Transition to Business'.* The initiative targets redundant formal sector workers who have started potentially scalable businesses and build their capacities to sustain their micro businesses and income for their families. The medium to long term objective is for the targeted businesses to potentially employ more redundant workers and, through the private sector, contribute to economic recovery. Through the in-crisis rapid assessment, FTUC found that currently 50 percent of their surveyed members were redundant and of these 46 percent had ventured into self-employment. This included farming, fishing, sewing, baking and other micro businesses and as this was their first time in businesses, they needed support to sustain their new jobs.

Image 3.1 Representatives from Fiji Trades Union Congress

"Although they have lost formal waged jobs, they have engaged in self-employment and micro business ventures and this initiative will ensure we provide the support our members need to continue to earn income for themselves and their families".

Mr Felix Anthony, National Secretary, FTUC.

"At FCEF we have developed a wealth of in-house experience and expertise in supporting micro businesses and can contribute very effectively to this initiative with good outcomes. We have and can draw from our accelerator program called the Fiji Enterprise Engine, our business advisory services through Business Link Pacific and peer mentoring from our Young Entrepreneurs Council and Women Entrepreneurs and Business Council".

Mr Sandeep Chauhan, President, FCEF.

3.2 Approach

Introduction

On 20 March 2020, the Ministery for Employment, Productivity and Industrial Relations (MEPIR) convened a meeting of the tripartite plus ILO to open a dialogue for social partners and ILO on the impact of COVID-19. At that meeting, there was a collective agreement and

endorsement to conduct an ILO-Tripartite Rapid Assessment on the impact of COVID-19 on jobs and business. On the 11 May 2020, the national assessment was launched to begin on 13 May 2020, ending 19 June 2020.

Objectives

The immediate objective of the rapid assessment was to support the ILO tripartite partners to contribute to national level evidence-based COVID-19 recovery policies and programs. Critical findings could inform and amplify specific employers' and workers' challenges and provide guidance to donors, including ILO investment, to ensure implementation of responsive and effective recovery programs, with the aim to build back smarter.

Capacity building

The long-term objective of the rapid assessment was to build the institutional and individual capacity of the tripartite partners for future national surveys, including developing their own database of affected businesses and workers. The Fiji Islands Bureau of Statistics (FIBoS) supported the digitisation of the questionnaires and provided tablets. ILO funded tablets for the FCEF and FTUC, to assist in the collection of data. Training was also provided to the tripartite on how to collect and analyse data. Training was provided to government enumerators in all divisions and districts. The secretariat of FCEF and FTUC, including the youth and women's chapters of the social partners, were included in the FCEF training by FIBoS. This was also in recognition of the fact that this assessment was an "in-crisis assessment" and therefore there was a need to periodically plan and execute follow-up surveys to update the database and re-inform policy and programs.

Principles

The fact that this pandemic is unprecedented, and this was the first time for tripartite partners to undertake a national survey of this scale, the following principles were crafted:

- Tripartite participation and engagement and promotion of social and bipartite dialogue from planning to evaluation/review;
- Institutional and individual capacity building on planning, collection, analysis, reporting and policy development and implementation;
- Results of the survey can help in making informed decisions on COVID-19 recovery policies and program development;
- Basic survey rules followed to ensure a credible assessment.

Sample size

A total of 35 teams were deployed while MEPIR managed 34 teams targeting most of the sample size, with a total of 20,903 formal businesses and 3,600 informal businesses. The Tripartite assessment team (35th team) targeted 347 FCEF members and 3,000 affected FTUC members. FCEF has completed 78 percent of their membership and FTUC 70 percent of targeted affected workers. Out of the 20,903 business that were targeted, a total of 18,109 businesses were surveyed, the majority by MEPIR. This amounts to 87 percent of targeted businesses. A total of 3,600 informal businesses/workers were targeted, out of which 2,040 businesses or 57 percent were surveyed.

Process

- A labour market update was undertaken to establish and understand the pre-COVID-19 labour market situation.
- A questionnaire, agreed with social partners was administered through face-to-face interviews (majority), telephone interviews and emails. In fact, there was one questionnaire that targeted business and one that targeted workers.
- Technical meetings were organised with representatives of FCEF and FTUC to present the findings of the survey and seek policy recommendations.

Labour mobility rapid assessment, IOM, Fiji

A rapid assessment of the socio-economic impacts of the COVID-19 on labour mobility in the Pacific Region was also undertaken by the International Organisation for Migration (IOM), Fiji. The assessment aimed to understand two key questions:

- How has COVID-19 affected labour mobility in the Pacific region? What has been the effect on the human security of migrant workers, diaspora communities and migrant-sending households in the Pacific region?
- How have governments responded to COVID-19? How have migrants and their families been supported during this time?

The summary of this assessment report can be found in Annex 3B.

Assessment of the differing impacts on the most vulnerable productive actors, UNWOMEN

A rapid assessment of the differing impacts on the most vulnerable productive actors was undertaken by UN Women. The summary of this assessment report can be found in Annex 3C.

3.3 Findings

Total businesses surveyed and overview of results

Out of the 20,903 business that were targeted, a total of 18,109 businesses were surveyed, the majority by the MEPIR. This amounts to 87 percent of targeted businesses.

Table 3.3 Businesses surveyed[162]

	Government	FCEF	Total
	Formal Businesses		**Formal**
Target	20,556	347	20,903
Actual	17,838	271	18,109
Percent covered	87	78	86.6

162 Note: The government survey team targeted workplaces while the FCEF team targeted businesses.

Figure 3.4 Top 5 affected industries in Fiji, nationwide

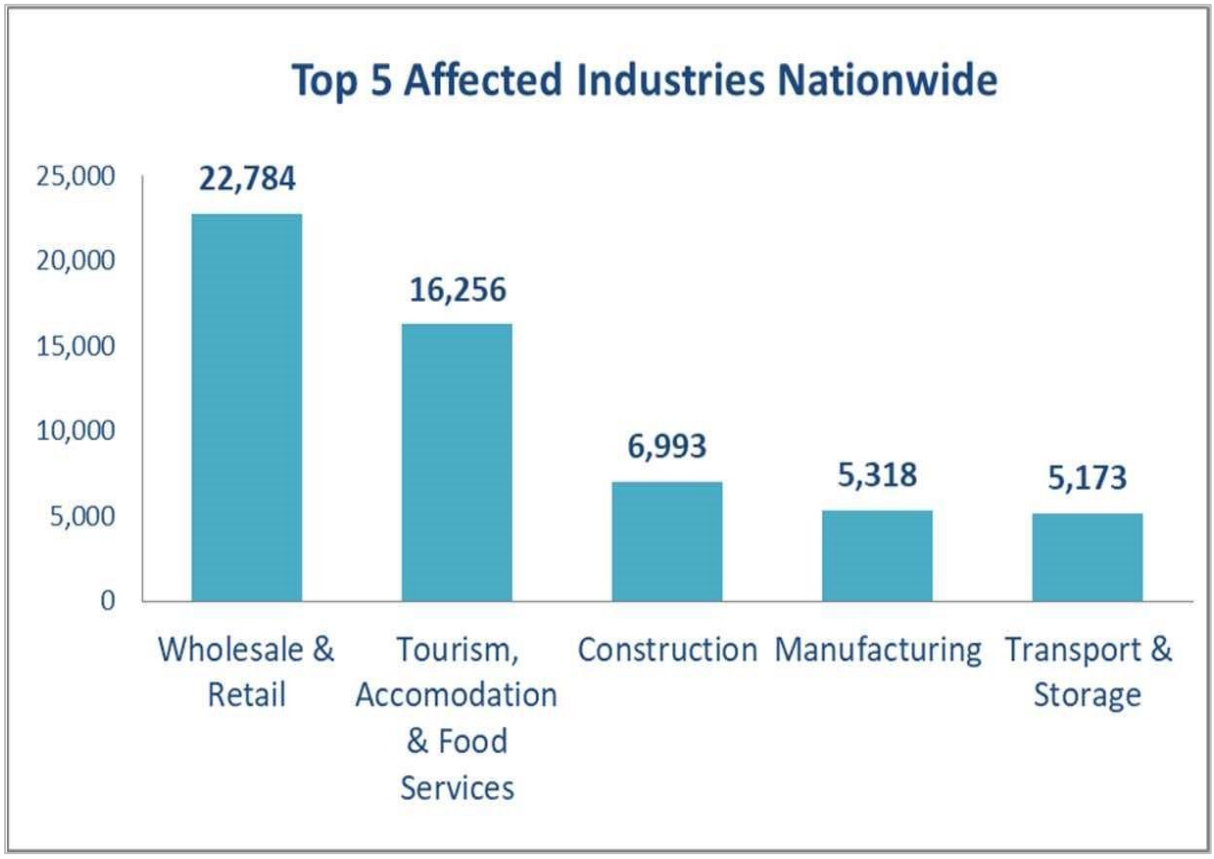


Figure 3.5 Top 5 affected industries in Fiji, Western Division

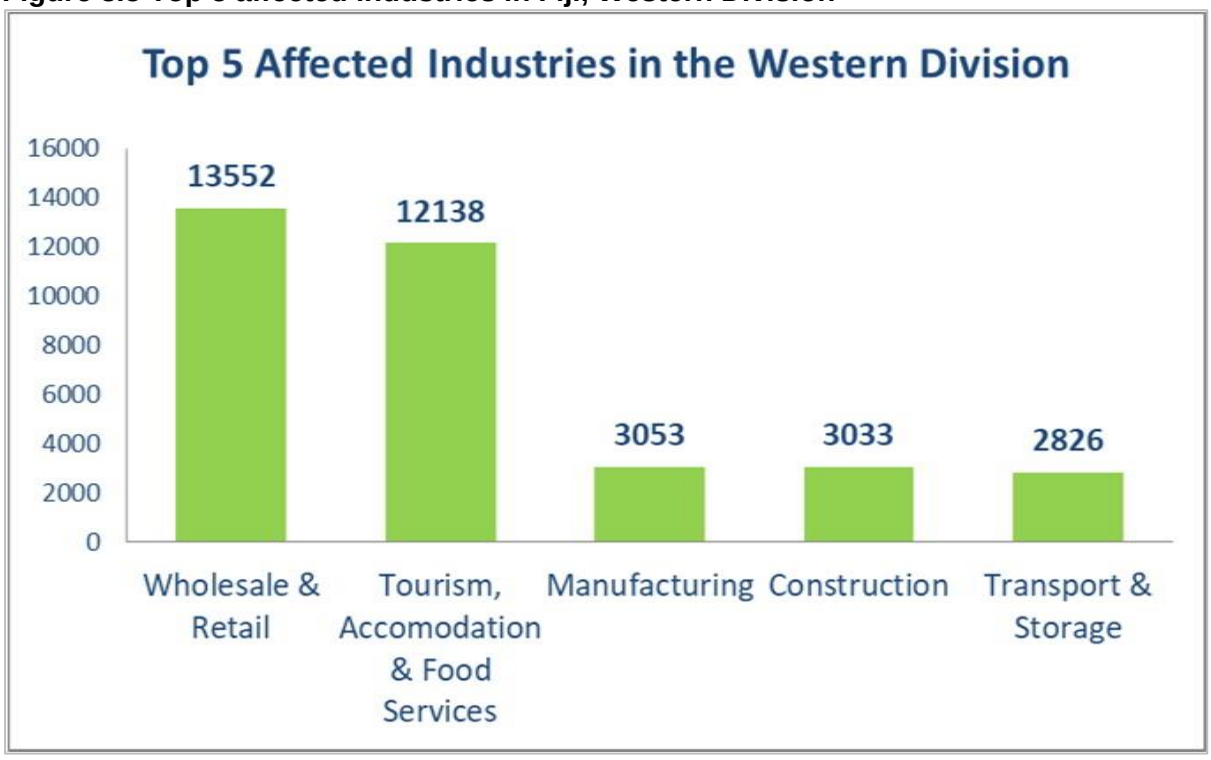
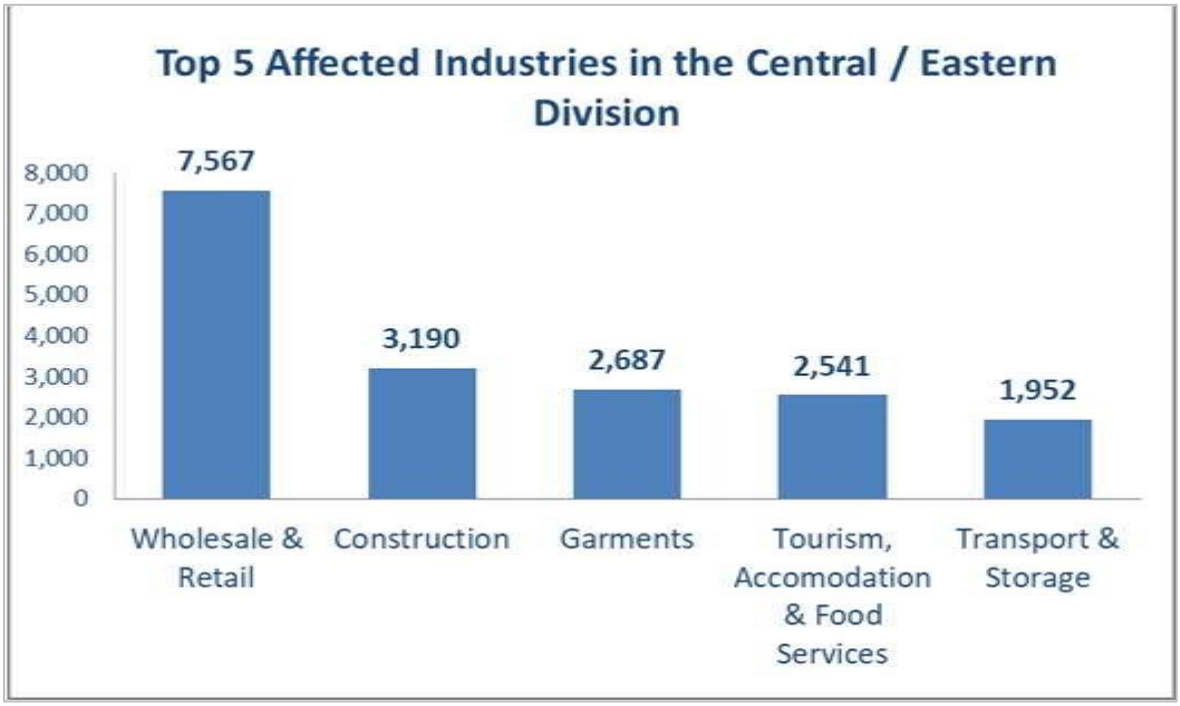


Figure 3.6 Top 5 affected industries in Fiji, Central / Eastern Division



FCEF has 347 financial members. However, in this survey, FCEF surveyed 271 or 78 percent of members. Contingencies were put in place to ensure that there was no double counting of FCEF members, and the total businesses surveyed. Therefore, findings are based on the 18,109 workplaces/businesses surveyed and the FCEF membership of 271 businesses. A total of 3,600 informal businesses/workers were targeted, out of which 2,040 businesses or 57 percent was surveyed.

The top five industries affected are (1) wholesale and retail, (2) tourism, accommodation and food services, (3) construction, (4) manufacturing and (5) transport and storage. In the two most affected divisions, the top two affected industries are (1) wholesale and retail and (2) tourism, accommodation and food services.

Formal sector (FCEF survey)

The extent of the impact of the crisis is much clearer at the sector and industry level. 70 percent of total industries are affected by as much as 50-80 percent. Construction, education, wholesale and retail, restaurant and catering, and tourism and manufacturing, are the most affected, between 62-80 percent. 30 percent of industries have indicated that 50-58 percent of their members have been affected. Finance and insurance, energy and utility and statutory bodies and municipal councils have been the least affected.

Figure 3.7 Industries in Fiji most affected, cash flow available to sustain business operations, and cash flow available up to 1-6 months

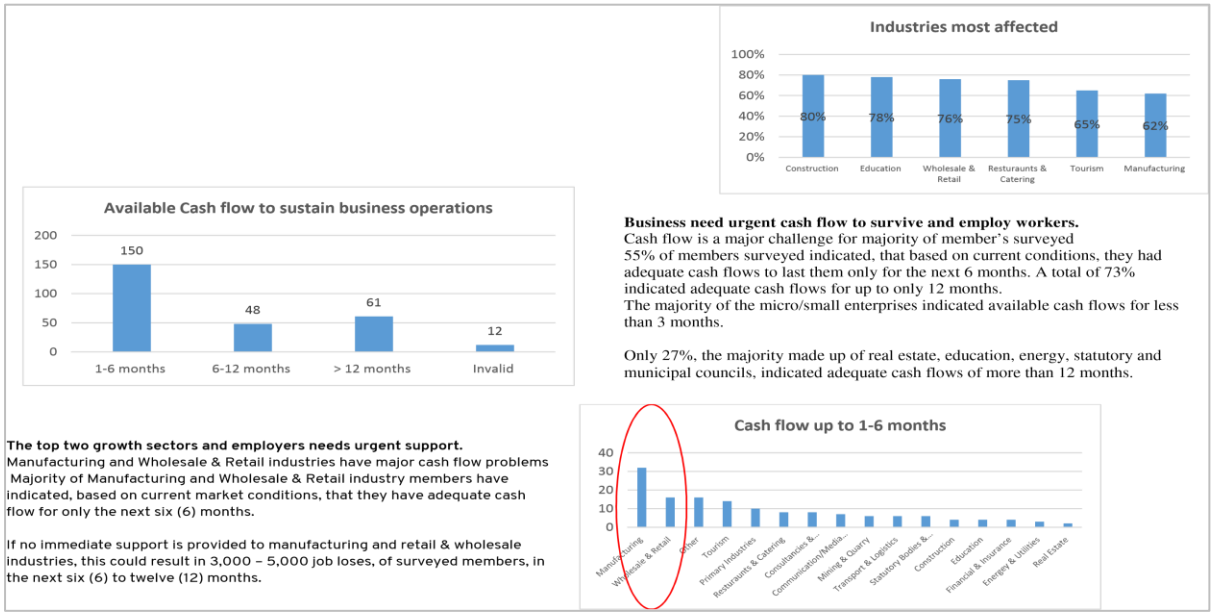
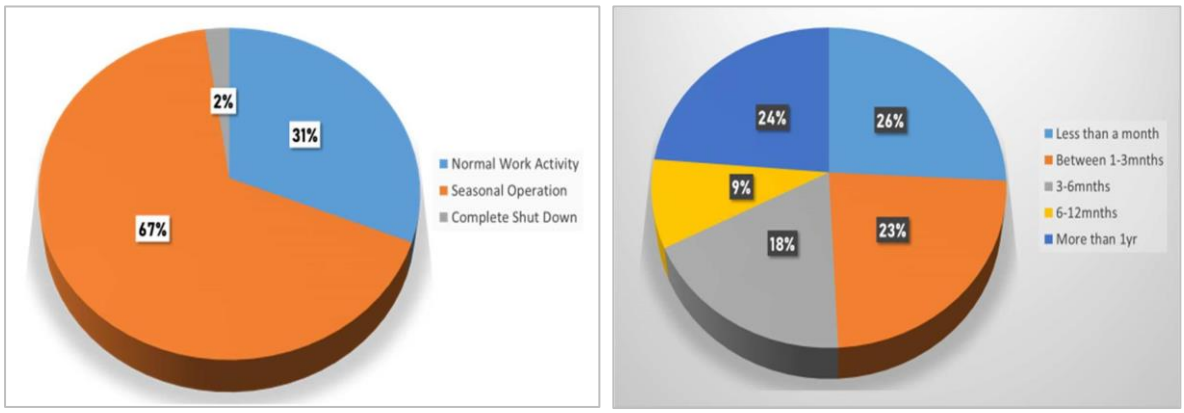


Figure 3.8 and Figure 3.9 Fiji business operations following COVID-19



Informal sector

76 percent of the informal sector business surveyed said they were operating partially. This means that the majority of the businesses surveyed in operation risk shutting down if no immediate support is provided. Only 31 percent of informal businesses surveyed said they were operating as normal. More than 50 percent had cash flow to last 1-6 months only.

Increase in informal economy bulge – the human factor impacting real people and livelihoods

Following the termination of 758 staff members of Fiji Airways, some have opted for a plan B for their livelihoods, including Jeff Tamata who has more than 17 years of flying and has since

returned to his village in Kadavu farming yaqona plants.[163] Avikash Lal, a cabin crew member, had opted to be vegetable vendor selling on his car near Nadi roundabout.[164] Likewise, 42 year old flight attendant Sanjeet Kumar is selling Indian food and sweets with the support of his wife at Jetset Flea market.[165]

Another innovative initiative by a tourism employee who lost their job as a chef in a leading resort was to run his own food truck called 'That Food Box Fiji' and a mobile event catering service. Mr Maharaj along with his brother now employs four people and the truck in Suva central business district.[166] Similarly, a 50-year-old lorry driver, Kamleshwar Sharma from Labasa, who lost his trucking business during lockdown, converted his six-wheeler truck into a mobile mini-market selling groceries, fresh fish and vegetables.[167]

These Fijians are all part of a diverse informal economy, supporting themselves and their families, creating livelihoods and jobs, and helping to drive economic growth in their communities. These informal entrepreneurs are vibrant visible players in Fiji, but their contribution is invisible, and they are neither acknowledged nor recognized as one of the key pillars of the economic mainstream. These self-employed entrepreneurs and workers are called informal because they operate to some extent outside the realm of formal legal protection and without easy or full access to the advantages of formal financial and business support systems. They work as single person operations or as micro and family enterprises with hired workers or unpaid family workers engaged in income generating activities where women are predominant.

Images 3.2, 3.3, 3.4, 3.5 Examples of informal workers in Fiji

163 https://fijisun.com.fj/2020/06/02/former-flight-attendant-falls-back-on-plan-b/
164 https://fijisun.com.fj/2020/05/29/former-flight-attendant-takes-termination-in-stride/
165 https://fijisun.com.fj/2020/06/14/flea-market-blessing-for-former-flight-attendant/
166 https://fijisun.com.fj/2019/12/24/fijis-first-food-truck-hits-suva/
167 https://fijisun.com.fj/2020/06/11/lorry-driver-turns-truck-into-mobile-vegetable-mini-mart/

Emerging opportunities (gig, blue and circular economies)

Gig economy

The word “gig” refers to the transient nature of a job itself. *Gig economy* is a free market system where organisations and independent workers, with the help of digital technology or apps, engage in short-term work arrangements, but the trend is now emerging as the way of work in the future, especially among the young and the millennials whose job prospects in the formal sector are limited. The gig economy encompasses all sorts of skills, from highly qualified roles to blue collar jobs or cleaning gardens and door delivery services, among others.

The gig economy is not a new phenomenon in Fiji —freelancers have been around for a while. So have consultants, temporary helpers, and so on. The reason why the gig economy has gained prominence in the recent years and more so during pandemic is that technology has lowered barriers to entry so much that “gigs” have become easily accessible to an unprecedented number of people. It has become the most preferred option among businesses as well because of the freedom, quick money and work-life balance. Some successful examples have been Uber and Lyft drivers. The gig economy in US had 55 million workers, or 36 percent of total workers, and 33 percent of companies were extensively using gig workers. It is estimated that the figure would have increased between to 70-80 million in 2020.

Box 3.1 Examples of the gig economy

Fiji has seen an emerging trend of local people opting for gig options. Examples are Fiji Eats, Cyber Foods, Barter for Better Fiji (using technology to reactivate old barter model of market system on Facebook[168] with 183,167 members by last week of June 2020. The moto is nurturing community of kindness through bartering with no cash transactions. It’s the idea of brainchild Rowina Snow of Ra – a sales executive at Telecom Fiji who inspired ordinary people into a community support).[169]

Images 3.6 and 3.7 Examples of barter transactions in Fiji

168 https://www.facebook.com/groups/2964591663604507/
169 https://fijisun.com.fj/2020/06/09/barter-for-better-fiji-inspires-page-created-especially-for-the-giving/

Re-aligning traditional sectors within the broader circular economy

The circular economy refers to an economic model [170][171] whose objective is to produce goods and services in a sustainable way, by limiting the consumption and waste of resources (raw materials, water, energy) as well as the production of waste. It is breaking with the model of the linear economy, based on a take-make-consume-throw away pattern, by proposing to transform waste into recycled raw material for product design or other uses.

The circular economy model fits directly into the more general framework of sustainable development. It is part of a global strategy that also uses, among other things, the principles of the green economy, industrial ecology, eco-design or the economy of functionality. The circular economy encompasses an exceptionally large number of sectors of activity and can be broken down into seven complementary patterns of production and consumption which, when combined, make sense and reinforce each other:

- Sustainable procurement: development and implementation of a responsible purchasing policy.
- Eco-design: process of reducing the environmental impacts of a product or service throughout its life cycle.
- Industrial and territorial ecology: search for eco-industrial synergies at the scale of a business area - the waste of one company can become the resources of another one.
- Economics of functionality: collaborative economy that favours use over possession and thus tends to sell services related to products rather than the products themselves.
- Responsible consumption: rational consumption and choice of products according to social and ecological criteria.
- Extending the duration of use: through repair, reuse and repurpose.
- Recycling: treatment and recovery of the materials contained in collected waste.

In 2014, Fiji adopted 'A Green Growth Framework For Fiji[172]: Restoring the balance in development that is sustainable for our future', a tool to accelerate integrated and inclusive sustainable development which will inspire action at all levels to strengthen environmental resilience, drive social improvement and reduce poverty, enhance economic growth and also build capacity to withstand and manage the anticipated adverse effects of climate change and other crises. With the pandemic affecting all sectors of the economy, the timing is right for Fiji to institutionalise and operationalise the Green Growth Framework and avoid sectors working in silos. The circular economy model which has been successfully implemented in various European and Asian countries can provide a good basis to formalise with an existing platform of Fiji's Green Growth Framework.

170 https://solarimpulse.com/circular-economysolutions.
171 Ibid.
172 https://www.greengrowthknowledge.org/sites/default/files/downloads/policydatabase/A%20Green%20Growth%20Framework%20For%20Fiji.pdf.

Harnessing and unlocking the potential of the blue economy

During the first sustainable blue economy conference in 2018[173], the Government of Fiji highlighted that the blue economy holds the greatest promise in helping to promote social inclusion and gender equality across maritime and coastal communities, so Fiji needs to bring together its fisheries, food technologies, banking, and private sector to make further and deeper progress. Fiji is advancing the development of its blue economy through innovation, new technologies, innovative financing instruments and partnerships between communities and government.

It was further stated that the full potential of Fiji's blue economy would be realized through the energy, talent and commitment of its young people to embrace their responsibility as stewards of some 1 million square miles that make up the large ocean state of Fiji.[174] The post COVID-19 strategy should be to aggressively implement the Fiji's blue economy agenda to create more jobs among youth and coastal communities. Apart from the broad policy there is an urgent need to design a time bound strategy and institutional framework to make this agenda a reality with the support from various multilateral financial institutions and donors.

Impact on employment by division, district and gender

As of 1 January 2020 (pre-COVID-19), 18,109 businesses employed a total of 137,140 workers.

Table 3.4 Businesses surveyed in Fiji

Actual survey	
Total businesses surveyed	Total workers as of 01/01/20
18,109 (87%)	137,140

FTUC has over 20,000 financial and non-financial members. However, in this survey, FTUC targeted a total of 3,000 of their members in the tourism, manufacturing, wholesale and retail, agriculture and airline industries. Actual FTUC members surveyed amounted to 2,132 or 71 percent of workers/members. Assuming that the FTUC members would have been covered in the survey of the 18,109 businesses, we will present findings on the affected workers based on the total 137,140 workers surveyed.

The majority of the affected workers surveyed were from the western division (55 percent), followed by central/eastern (37 percent) and northern (8 percent). The majority of the affected workers resided and worked in Nadi, Suva, Lautoka and Sigatoka. The majority of the workers affected were men (62 percent), with women workers at 38 percent.

173 Dr Satyendra Prasad, Fiji's Permanent Representative to the UN presentation at the conference: http://www.foreignaffairs.gov.fj/component/content/article/38-press-releases-2018/1119-pr-fiji-engages-inbilateral-dialogues-to-advance-the-sustainable-development-of-blue-economy.
174 Ibid.

Figure 3.10 Workers surveyed by region

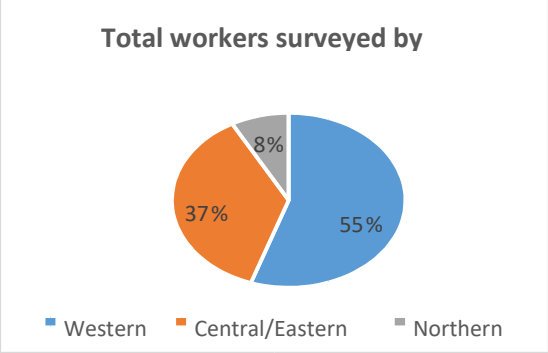


Figure 3.11 Affected workers by gender

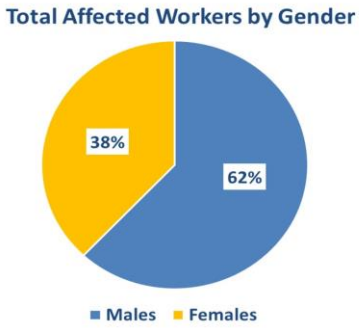
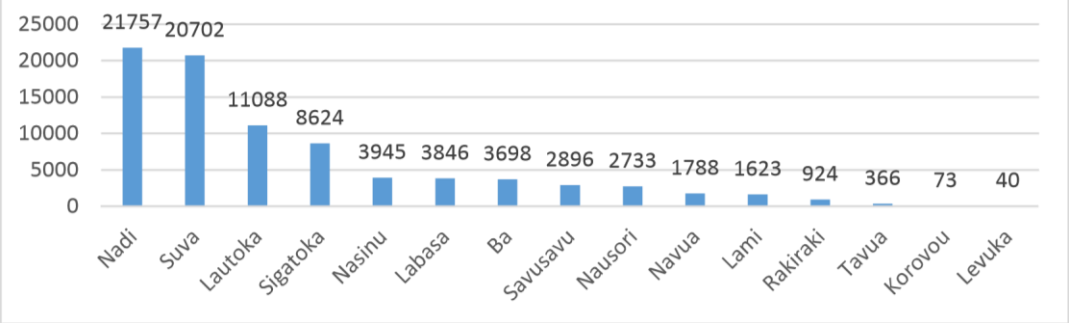
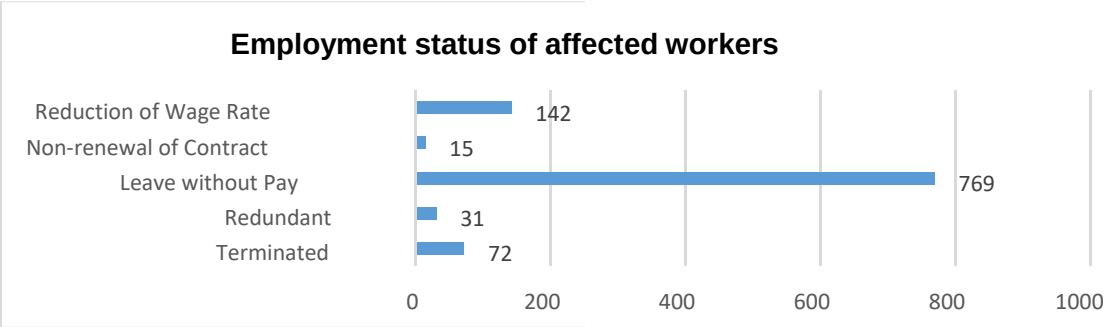


Figure 3.12 Total affected workers by city/town



[Key findings of the FTUC survey of 2,123 workers/members]

Figure 3.13 Employment status of affected workers

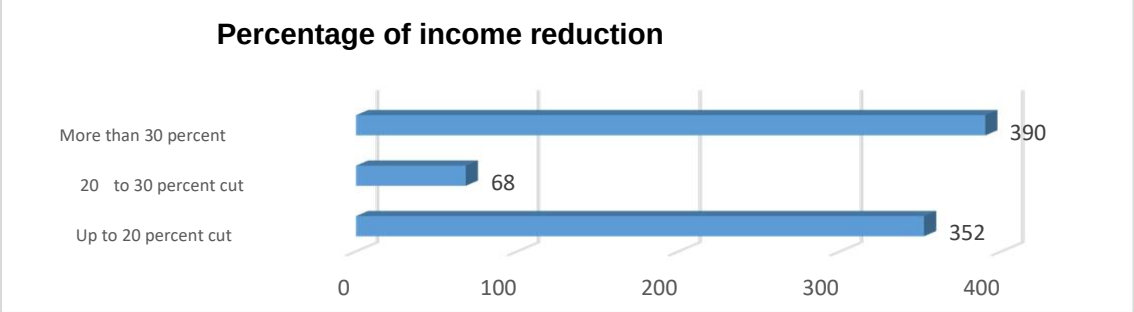


Union membership is proving to protect rights and employment of workers.

The majority (86 percent) of the affected workers who are not terminated or redundant, are on leave without pay and reduced income. This indicates that unionised workers, to an extent, were able to negotiate their terms of conditions to ensure they were not terminated or redundant. This was to allow them to return to their jobs when the business returned to normalcy. Interestingly, the survey experienced an increased interest of non-unionized workers to join or form unions.

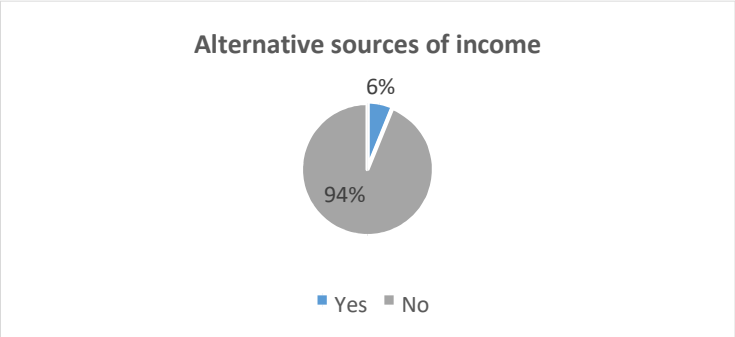
Working poverty will increase as affected workers on reduced income are taking home 70 percent less than what their family needs in a week.

Figure 3.14 Percentage of income reduction



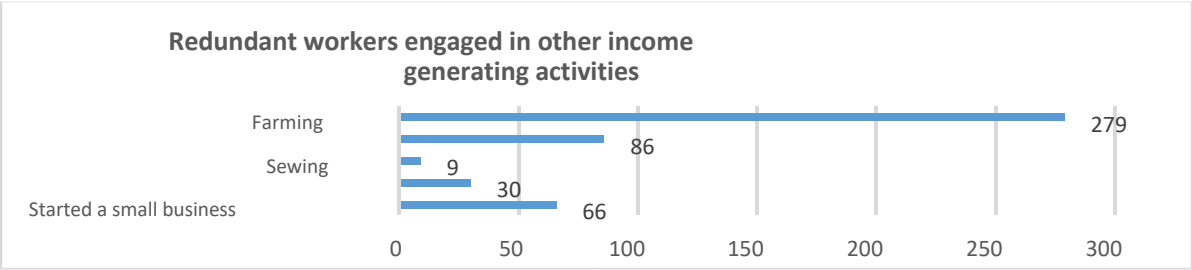
Almost 50 percent of affected workers on reduced income are earning 30 percent less income compared to pre-COVID-19. If we calculate weekly take-home pay based on the minimum wage rate and 30 percent reduced income, an average worker on reduced hours would be taking home FJD 75.00 a week. Based on the Fiji HIES (2008/2009), the Basic Needs Poverty Line (BNPL-FJD) was FJD 144 (2003) and FJD186 (2009), therefore it can be estimated that in 2020 an urban family of four would need a minimum of FJD 260 per week. Therefore, it can be assumed that the majority of affected workers on reduced income are taking home 70 percent less of the 2020 estimated BNPL ($).

Figure 3.15 Alternative sources of income



Productivity will further reduce if current and redundant workers are not reskilled and supported. The majority of current workers are dependent on their current jobs for income and would be left behind if not supported. Should there be further shut downs of businesses, 94 percent of workers indicated that they would not have capacity to transit into alternative forms of employment. Of these, the majority live in urban areas and do not have access to land or village social safety nets.

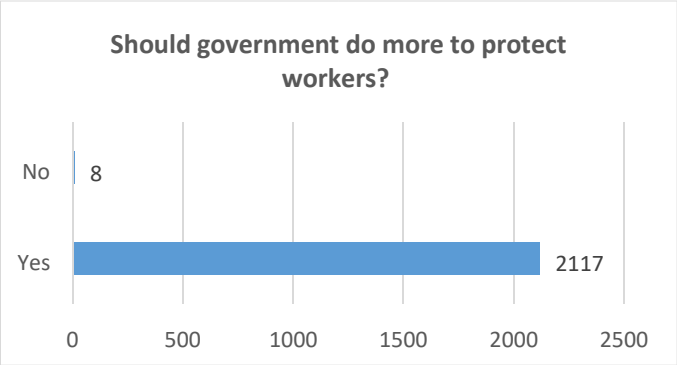
Figure 3.16 Redundant workers engaged in other income generating activities



Unemployment will increase and consumption will further decline if redundant workers are not re-skilled and re-transited to employment.

54 percent of redundant workers have not been able to secure jobs and the majority of these workers are in urgent need of income support. 46 percent of redundant workers surveyed have ventured into self-employment, with the majority transiting easily as they have access to land and fisheries. The rest, who are mainly in urban areas, are operating as home-based micro businesses and accessing customers through community organized and/or road-side markets, social media and door-to-door sales.

Figure 3.17 Should government do more to protect workers?



Workers risk being left behind and retiring in poverty.

99 percent of workers want the government to do more to protect their jobs and rights. Although 81 percent of workers surveyed indicated they benefited from the government-announced stimulus package, workers felt that government should do more than buffering their income losses from their own retirement savings in the FNPF. Considering that 70 percent of members have less than FJD 10,000 in their FNPF account *(Fiji Sun, 17 September 2018)*, the further use of workers funds would deplete their eligibility to support their education, home purchases, etc. and create a national retirement crisis, placing a further burden on families to support their retired parents and a stress on government resources such as social welfare, medical services, etc.

4.3 Policy options and recommendations

The recommendations are based on the premise of International Labour Standards (ILS) which provide a tried-and-trusted blueprint for policy responses designed to facilitate a recovery that is sustainable and equitable. The ILS can also serve as a "decent work compass" in the response to the COVID-19 crisis[175] by:

- upholding key provisions of these standards (particularly those dealing with safety and health, working arrangements, protection of specific categories of workers, non-discrimination, social security and employment protection), ensuring that workers, employers and governments can maintain decent work while adjusting to the socio-economic consequences of the pandemic.

175 ILO, *Why international labour standards matter in a public health crisis*, video, 27 March 2020.

- covering a wide range of ILO standards – such areas as employment, social protection, wage protection, the promotion of small and medium-sized enterprises, and workplace cooperation contain specific guidance on policy measures that can be used to underpin a human-centred approach to management of the crisis and to recovery efforts.
- contributing to a culture of social dialogue and workplace cooperation that is key to shaping the recovery and preventing a deterioration in employment and labour conditions during and after the crisis, and
- supporting some policy actions, notably social protection, that not only support jobs and incomes (Pillar 2) but also protect workers in the workplace (Pillar 3) and are therefore cross-cutting.

The key policy recommendations have been structured based on Fiji-wide scientific assessments involving an approved process and methodology, field survey and focused group meetings in collaboration with its tripartite social partners, namely the government, employers and workers. It is also based on the ILO Policy Framework for COVID-19. See also Annex 3A for an independent appraisal of some of these policy options relating to employment, MSMEs and the informal sector.

Recommendation	Details
Stimulating economy and employment	
Reconfigure and re-align traditional economic sectors to emerging economic sectors (gig economy, green/blue economy and circular economy).	The key objective is to provide impetus and unlock the potential of these traditional sectors (currently working in silos) into the new normal of emerging economic sectors which are new areas of growth and unleash new investment opportunities that can lead to new skills and jobs. These include accelerating the operationalization of Fiji's Green Growth Framework, institutionalisation of the blue economy and recognising the cross-cutting economic sectors of the gig economy and circular economy.
Introduce national incentive schemes for production of Fiji-made import substitute products and services	As import substitution is the focus of the government, there is need for special financial incentives and tax benefits for potential businesses, including technical support.
Focus on Local Economic Development (LED)	Survey findings indicate that towns and villages that were not totally dependent on tourism and hospitality sectors (e.g. Labasa, Ba) were not much affected. It is imperative therefore for developing and re-aligning growth and development into LED. Japan and Thailand were successful in the LED model of ONE Village ONE Product. Fiji has the potential to develop similar clusters for Kava,

	organic fruits and vegetables, and marine products, to name a few.
Make Fiji an information, communications and technology (ICT) Hub for the Pacific	Fiji has not tapped the full potential of being “Silicon Valley of the Pacific”. With a young and highly skilled population coming out of three universities and thousands of school leavers the potential of being an ICT hub needs to be aggressively marketed with attractive incentives, competitive infrastructure and internet costs and pricing. Fiji having the advantageous time difference with key markets can initially target 0.25 percent of the multi-billion dollar industry which includes back office operations, internet of things and software app development that can change the landscape to attract the millennials coming into employment markets. (E.g. medical transcriptions for health sector and legal transcriptions for judicial sector).
New generation export financial packages	Designing new generation of export financial solutions with rationalisation and simplification of application and approval process for export credit guarantee scheme, bonds and loans, letter of credits, etc.
Mobilise investment from Fiji’s diaspora	A concerted and aggressive effort has to be taken by Investment Fiji and High Commissions of Fiji in various countries around the world to attract the Fiji diaspora living overseas for investments in various economic sectors with attractive packages and incentives - “your home, your roots – you can make the difference”
Review the 2018-22 National Employment Policy	In light of the current labour market and business environment, accelerate relevant policy priorities such as the focus on youth, women and persons with disabilities, just transition including green jobs, foreign employment and good faith workplace relations. This can be linked to the just transition as highlighted in the Paris Climate Agreement ILO Recommendation 205 on Employment and Decent Work for Peace and Resilience. Recommendations of the ILO report were presented to the Pacific Labour Ministers in 2019, on Future of Work on Climate Resilience in the Pacific. https://www.ilo.org/suva/publications/WCMS_712546/lang--en/index.htm

Support the informal bulge and empower them	The large informal economy already employs 66.2 percent of workers, and will grow exponentially. We need to recognise and acknowledge this trend and those entering the informal sector. A strategic policy for empowering the informal economy will significantly help both businesses and workers in this neglected sector. This can be done by giving them an identity, voice, rights and access.
Develop comprehensive labour market and private sector information system	Close monitoring of the labour market and private sector environment will be ever more critical. COVID-19 has proven to change labour market and private sector conditions over night. Therefore, to respond adequately to the fragile and changing markets, it is critical to develop comprehensive labour market and private sector information systems.
Supporting enterprises, jobs and incomes	
Improve cash flow challenges of business	Immediate cash injection or incentives need to be targeted for manufacturing, wholesale and retail and tourism sectors. These sectors employ the majority of the formal sector and contribute to the production of goods and foreign exchange. This can be done through wage subsidies, reduction in fixed costs, changes of accounting standards to allow for quicker depreciation, etc.
Promote production and purchase of import substitute goods and services	Companies that produce import-substitute goods with local raw materials and expertise should be rewarded and incentivised. Current national campaigns can be further elevated and rolled out to buy Fiji-made products and services.
Operationalise MSME Fiji	Finalise national policy and strategy, definitions of business size and establish the institutional structure.
Offer MSME's innovative financial portfolios	Access to MSME finance should go beyond the traditional financial portfolios to more innovative and needs based portfolios such as leasing finance, venture finance, a simplified and inclusive domestic credit guarantee program which includes both banking and non-banking financial institutions. The government stimulus package must be tailored to the needs of MSMEs.
Allocate percentage of government tenders for MSMEs	Simplified tender process for MSMEs participation in public procurements and making reservation of at least 25 percent by all government and public sector procurement to MSMEs.

Developing a new generation of social enterprises and responsible entrepreneurs	Focusing on developing a new generation of social entrepreneurs and social enterprises as a cross cutting theme, particularly women, youth and persons with disabilities. This can be a multi-ministry initiative led by local government and the Ministry of Commerce, Industry and Trade.
Make incubator and accelerator programs effective and accessible	Redundant formal sector workers will immediately start micro businesses in the informal sector. Business development services in the form of incubators and accelerators are critical support mechanisms to ensure the transition to micro business is sustained and scaled.
Increase employability of young people, particularly in new emerging sectors	Preparing youth for the new normal and world of future work, universities and technical and vocational institutes need to overhaul their curriculum and training programs in the emerging skills (green/blue skills, gig economy and circular economy skills) Revisit and re-vamp the apprenticeship program with attractive private and public sector participation and incentivisation. Develop effective and accessible business development services) for young people, instead of just access to micro loans at low interest. Re-visit and re-vamp the National Volunteer Service program under the National Employment Scheme. As well as creating aggressive awareness of this initiative, communities and villages should be encouraged to nominate at least 20 percent of their youth for active participation in this program. A small stipend can be given with the local community support and public and private sectors. Initially, youth volunteer programs can focus on climate change, environment protection and waste management, among other areas. Improve the entrepreneurial eco-system (registration, access to business development services, etc.) by incentivizing youth start-up and expansion that has the potential to be scaled up and sustainable. Increase the capacity of the Young Entrepreneurs Council to advocate for more focus on investment in youth business. Increase the capacity of the Women Entrepreneurs and Business Council to advocate for more focused investment in young women and women businesses.

Review employment and business laws to reduce barriers to entry into business	Formal sector waged workers will be looking at self-employment, either in the formal or informal economy. It is very likely that the majority will be in the informal economy. This will be the only alternative source of income for them and their families. Regulations need to reduce the barrier to entry into self-employment.
Establish employment advisory services within trade unions	In-house employment services for trades unions can provide immediate and effective services to members needing information, including those that have been made redundant. Trade unions can play a critical role in linking their redundant members back into the labour market.
Revive the once-effective apprenticeship scheme	This an effective way to cost -hare and train or re-train the workforce to respond to labour demand.
Promote a safe and productive seasonal workers program for the travel bubble.	A recent paper put out by top Australian researcher Dr Richard Curtain states "The total estimated seasonal workforce needed for horticulture for the spring and summer harvest season ahead could be up to 40,000 workers, based on the previous demand for seasonal workers over that period." https://devpolicy.org/a-major-labour-shortage-at-harvest-time-is-looming-20200618-2/ While there are some obvious political, logistical and health challenges, the fact that there are a large amount of unskilled jobs available in a scheme that Fiji is already part of, provides some impetus to explore the possibility of including redundant Fijians from the tourism sector to be prioritised for seasonal work in Australia. Target redundant workers.
Promote labour intensive public works program with urban and rural communities	Employment intensive infrastructure schemes will go a long way to mitigate job losses, which can result in providing immediate income support to families and communities, thereby resulting in increased consumer and business confidence. Target redundant workers.
Protecting workers in the workplace	
Support workers' loss of income through a social protection lens such as wage subsidies, unemployment	Though workers opted for their savings for relief from FNPF to meet their urgent needs, these withdrawals are bound to affect their future retirement benefits. To avoid depending on this option in future there is a need for alternative initiatives such as:

insurance	Employment insurance schemes to protect workers during difficult situations like natural disasters, health issues and funerals. This can be a separate initiative within FNPF or a public-private partnership. Workers affected during the pandemic can be supported with a short-term wage subsidy scheme, such as those used in Singapore and Maldives. This can be a targeted intervention to the most affected in certain sectors. Social protection schemes for redundant workers. Needs based schemes can be identified and implemented through social dialogue.
Mainstream COVID-19 response into work place policies, plans and training	National occupational, safety and health (OSH) Policy, workplace OSH polices and business continuity plans must incorporate COVID-19 response and management.
Develop national teleworking policies	In light of COVID-19, homes need to be also recognised as places of work. Teleworking policies need to be developed to ensure national productivity and personal income are not affected.
Establish an independent OSH entity inclusive of COVID-19 workplace response measures	Workplace health and safety is critical in the COVID-19 era, particularly for frontline workers. OSH services of government must be well-equipped not only to respond to typical OSH issues but also to new challenges and developments in the world of work. Therefore, it is critical that government bureaucracy does not impede OSH services responding to the challenges of COVID-19. How the OSH service operates its financial responsibilities for the inspectorate, workmen's compensation, etc. should be viable, effective and efficient.
OSH and COVID-19 training for all	Roll out OSH trainings, inclusive of COVID-19 measures in both formal and informal sectors.
Relying on social dialogue for solutions	
Convene and operationalise the Employment Relations Advisory Board (ERAB)	The government-led tripartite joint assessment is a very good recent example of tripartite collaboration and engagement. Moving beyond the assessment and to COVID-19 recovery policy and program development, it is critical to operationalize the peak tripartite committee, ERAB.

Finalise the Fiji Decent Work Country Programme (DWCP) inclusive of COVID-19 priorities	A tripartite national strategy on COVID-19 recovery should be developed. This is critically essential in driving the economy forward by responding to the "new normal" employment and business environment. This strategy could be a major component of the DWCP.
Undertake employment and business policy reviews through tripartite consultations	Certain provisions of the employment and business laws may not be concessive to the "new normal" brought about by COVID-19. There needs to be a thorough review, through tripartite social dialogue, where the agreed amendments protect the rights of workers and sustainability of current and new business.
Improve capacities of tripartite to respond to COVID-19	The next step after the assessment would be to use the findings to develop COVID-19 recovery policies and programs and implement them. Training and other forms of capacity support needs to be provided to tripartite constituents in ensuring that we are building back smarter and safer, no-one is left behind and decent work is promoted
Promote bipartite social dialogue and joint action among FCEF and FTUC for COVID-19 recovery	Direct agreement and action by employers and workers, particularly at enterprise level, is proven to be effective and efficient. At a time when urgent decisions and immediate action need to take place, promoting joint action through bipartite social dialogue could prove beneficial at enterprise and national level. New modes of social dialogue using technology should also be developed in light of COVID-19 measures.
Promote bipartite social dialogue and joint action among social partners' youth and women's chapters for COVID-19 recovery.	Not only will this build the capacity of youth and women's chapters of the social partners to respond to the current crisis, but can also prepare them for future pandemics. According to ILO, this crisis is affecting youth and women the most. Therefore, consulting them and including them as active contributors would ensure that policies and programs are inclusive. New modes of social dialogue using technology should also be developed in light of COVID-19 measures.
Improving institutional capacities of Employers and Workers Organizations to support their membership.	With such an unprecedented crisis, there is a potential for government resources to be stretched. Employers and Workers Organizations, as key players in the real economy and representatives of owners of factors of production, need to be supported. FTUC and FCEF needs to be supported to support their membership, potentially requiring them to take on new roles to respond to their membership.

PILLAR 4: Macroeconomic Impacts and Policy Recommendations

4.1 Introduction

Figure 4.1 Fiji – Real GDP growth projections[176]

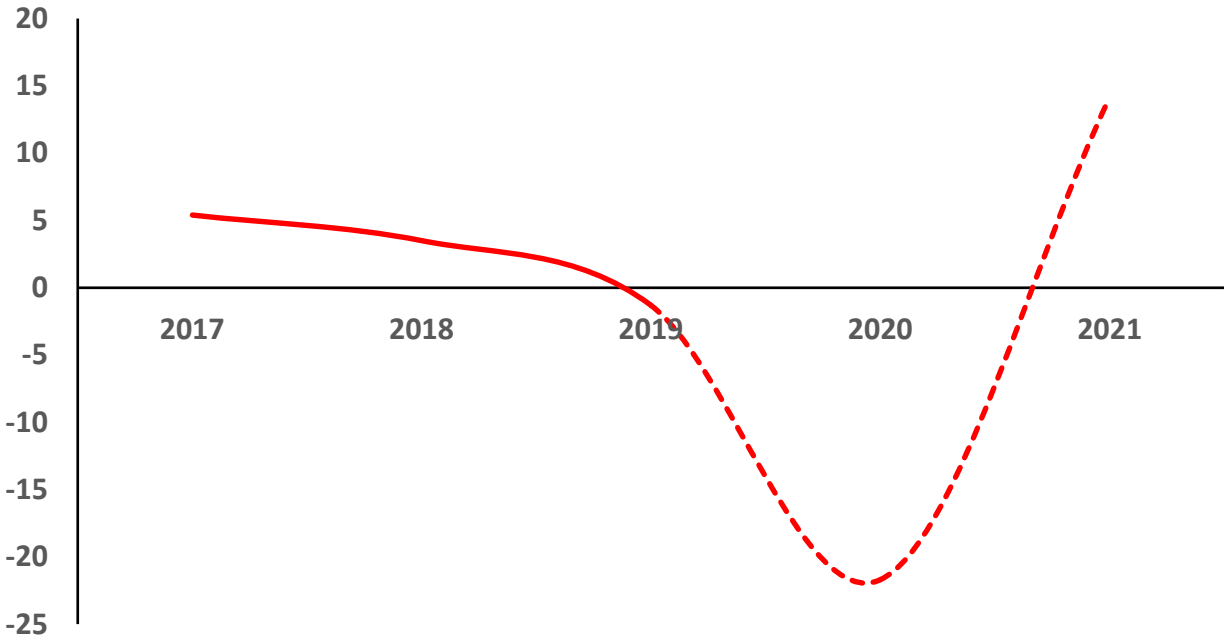
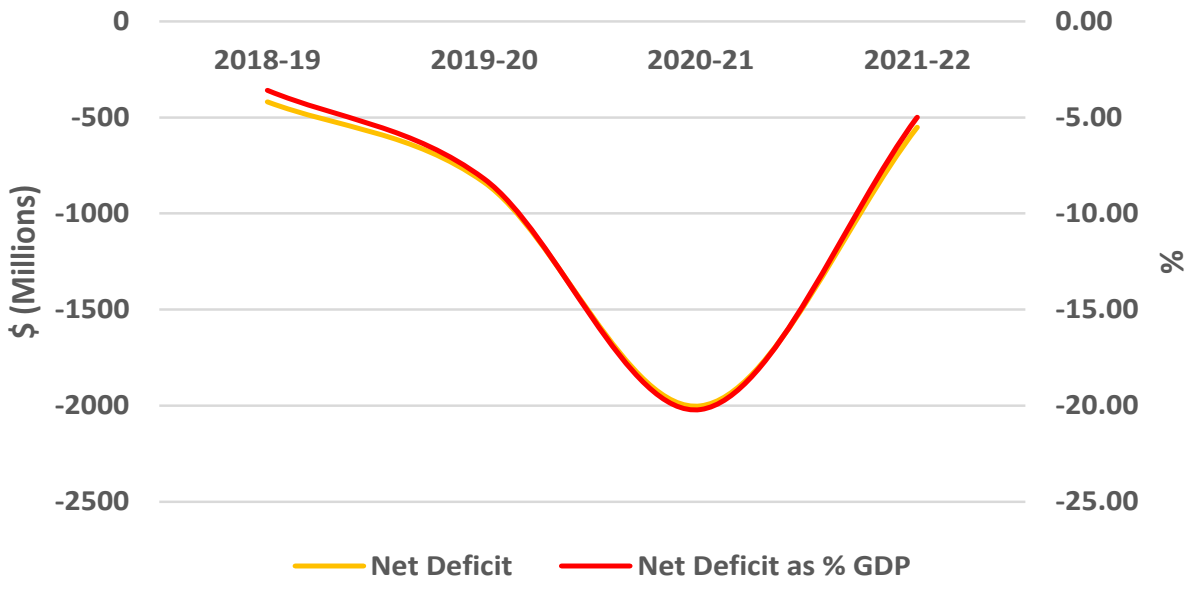


Figure 4.2 Fiji – Fiscal balance[177]



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

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

Owing to unfavourable external conditions, Fiji's economic expansion is estimated to have contracted by 1.3 percent in 2019 from 3.5 percent in 2018[178]. 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 crisis, 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, with a contribution to GDP of around 38 percent. The impact will be felt throughout the economy including supply chains, government finances, and business and consumer confidence.

Thus, the Fijian economy is expected to contract by 21.7 percent in 2020 mainly due to poor tourism activity and its knock-on effects on the rest of the economy, 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.

Contraction in the Fijian economy will lead to lower government revenue, which together with higher expenditure to counter COVID-19 impacts is expected to widen the fiscal deficit to equal 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 PICs, for instance Fiji is expected to spend around 8.7 percent of its GDP, Marshall Islands is spending around 3.1 percent of its GDP, Palau is spending around 2.4 percent of its GDP, and Tonga is spending 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 stimulus measures, with very specific strategies in mind. The loan repayment holiday program – with FJD 400 million outlay – will help prevent SME bankruptcies. The FJD 100 million for unemployment assistance and a subsidy to Fiji Airways of FJD 60 million to incentivise first 150,000 tourists are good examples of state-contingent measures to help stimulate consumer spending and investments required for recovery.

[178] Fiji Bureau of Statistics and Ministry of Economy, 2020.

Figure 4.3 Total Government debt[179]

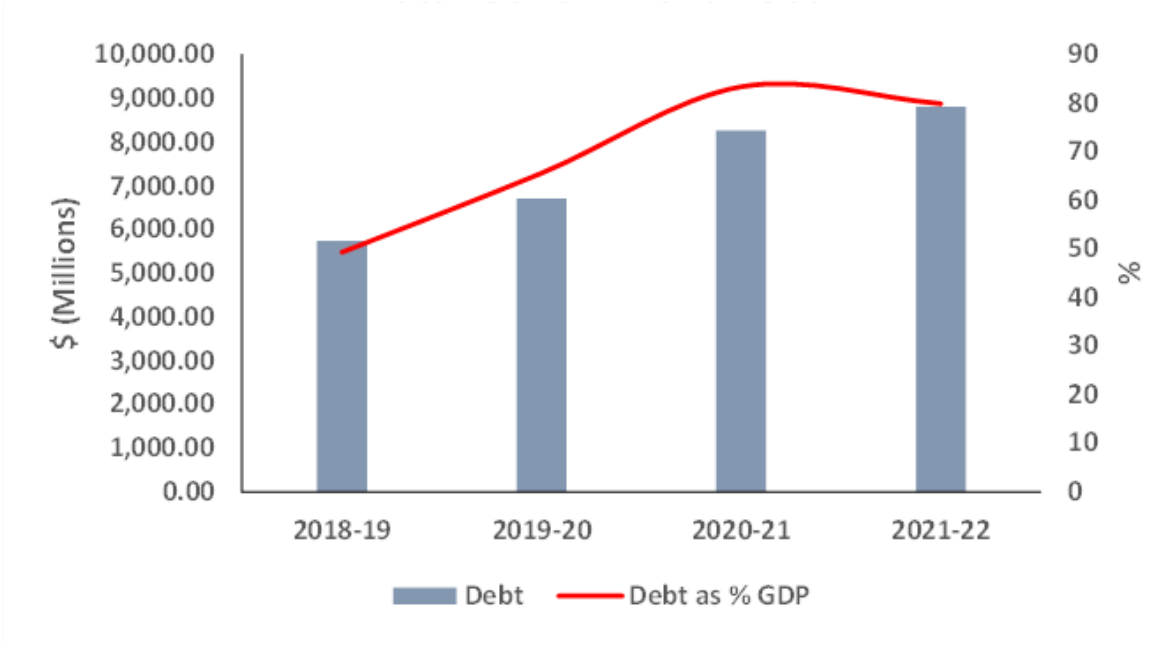
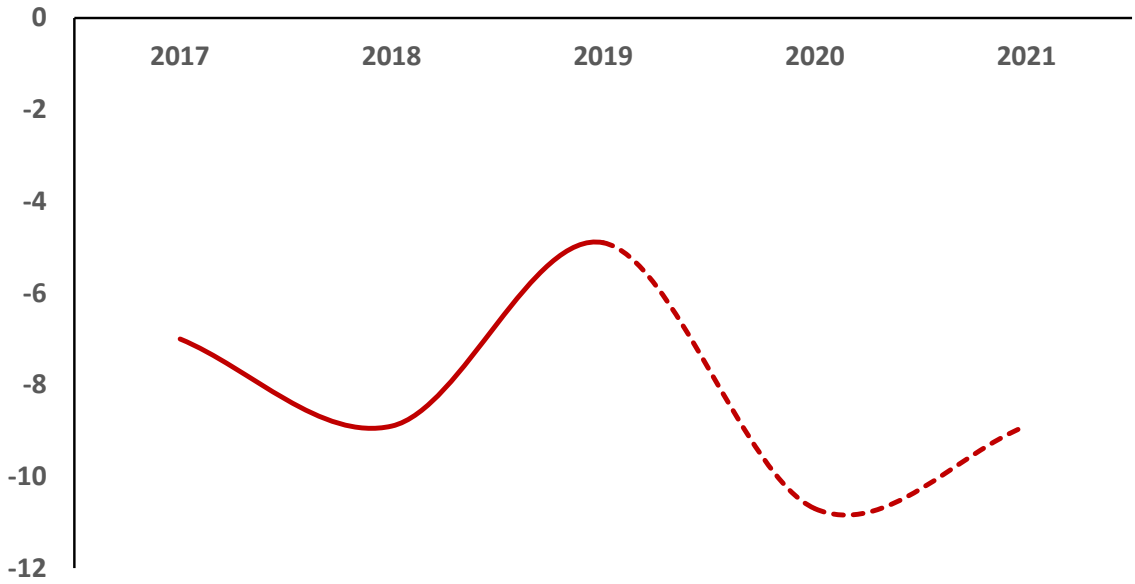


Figure 4.4 Current account balance (% of GDP)[180]



The debt to GDP ratio will increase substantially in the next year as a result of the wider deficit, high levels of borrowing and massive contraction in nominal GDP. Debt levels are expected to increase to $8,256.4 million or 83.4 percent of GDP at 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 as a result of the response to COVID-19, the role and

[179] UN RCO-Fiji, using Fiji Bureau of Statistics and Ministry of Economy data.
[180] 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 addition to the national debt levels. Fiji's external sector account is likely to have a negative impact in 2020 from lower tourism earnings, with the current account deficit projected to equal 10.7 percent of GDP in 2020. The current account deficit is expected to improve to 8.9 percent of GDP in 2021 with the expectation of rebounding remittances and tourism receipts.

Evaporation of tourism

Figure 4.5 Tourism contribution to GDP and employment (%) in Fiji

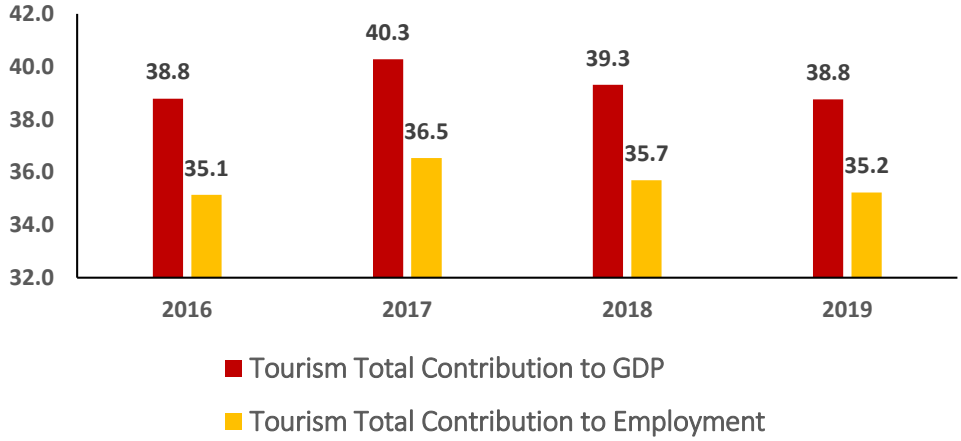
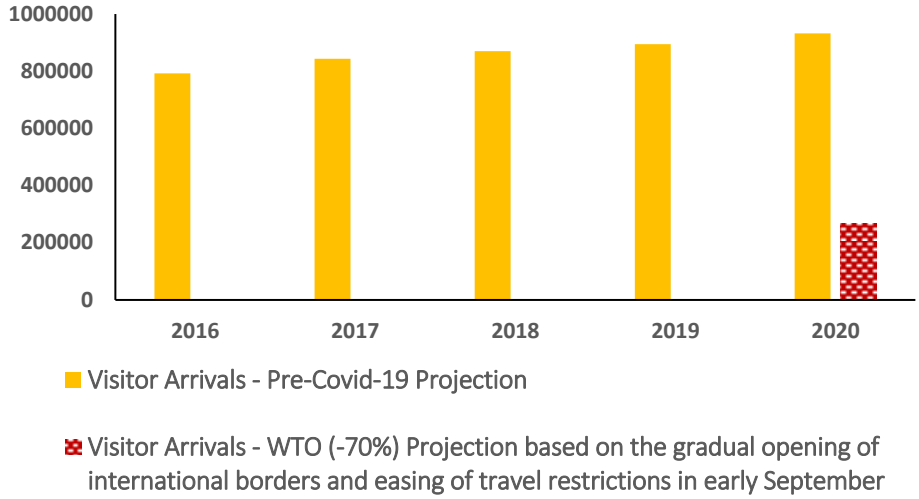


Figure 4.6 Visitor arrivals in Fiji



The reduction of tourism revenue due to the COVID-19 pandemic and international travel restrictions will have a deep impact on Fiji because of the high dependence on tourism revenues and employment. The loss in tourism earning will disproportionally influence the livelihoods of the poorest and the most vulnerable, especially the workers in informal sectors connected to tourism related activities in Fiji, and particularly to women and single-women headed households. Women make up a large percentage of casual workers in the tourism industry and are particularly vulnerable.

Tourism is one of the worst-affected sectors of the economy during the COVID-19 pandemic. The shock to the global tourism industry could amount to 50 to 70 percent of output depending on the severity of the pandemic. Pacific countries being heavily reliant on tourism, travel and hospitality for their growth will experience particularly large disruptions in economic activity. Although the greatest and direct impact on economic activity has come from social distancing and lockdown measures

governments have implemented, declining international trade and travel will be equally hurting PICs including Fiji.

Besides, tourism related activities are sustained at the household level by unpaid and domestic care work, which is foundational for societies and economies though frequently ignored in macroeconomic analysis.

Table 4.1 Opportunities for low carbon development through economic stimulus packages[181]

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.
	Incentivize 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 also needs to be viewed as an opportunity for PICs to re-calibrate their economic growth strategies by adopting more sustainable policy measures, particularly through planned green economic recovery and stimulus packages. The Fijian government needs to aim 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, economies could finance most or all of their current stimulus packages. Such policy reforms would create sizable fiscal space and greatly boost low carbon alternatives such as renewable energy and energy efficiency.

4.2 Findings

Direct and indirect impacts

The direct and indirect macroeconomic impacts of the severe downturn in the tourism industry in Fiji will likely result in:

- A fall in domestic activity and increase in unemployment which will further push marginal households below the poverty line. An increase in redundancies (or voluntary reduction in hours/work by employees) will also exacerbate the income gap between the high- and low-income earners.
- This, coupled with the increasing burden of unpaid domestic and care work for women at the household level due to schools closure and confinement measures, together with the reduction of labour opportunities in the tourism sector, will reinforce pre-existing gender inequalities and reduce opportunities for women's economic participation and empowerment.

[181] UNSDG Policy Brief: The Impact of COVID-19 on South-East Asia, July 2020

- Lower tourism revenues which will further strain fiscal space and have an adverse impact on the fiscal and debt indicators.
- Increased pressure on balance of payments sustainability, where tourism receipts are a significant driver of the current account credits to offset the merchandise trade deficit and income debits.

Other formal sectors that are experiencing contractions are the agriculture sector (supply chains, freight costs, and decrease in demand), fisheries, remittances, and apparel, all of which make up a significant percentage of Fiji's GDP and employment.

Key risks and policy challenges

In summary, the key risks and policy challenges to the Fijian economy in the short to medium term are:

- On the domestic front, key economic risks of COVID-19 will include health shocks, household vulnerabilities, particularly for single-women headed households and SMEs, business distress, and the increased burden of care;
- The Fijian economy will accumulate losses as result of the tourism industry collapsing, the drop in household consumption and declining remittances. The knock-on effects on the informal sector (given their limited safety nets) will be significant and will lead to a sizable number of SMEs, and particularly women-owned SMEs, permanently exiting the market as losses surpass their minimum costs of production.
- Fiscal risks and fiscal space constraints - COVID-19 will fast-forward future fiscal risks (with limited policy manoeuvring due to economic lockdowns and travel restrictions), and larger fiscal deficits are to be expected in 2020. Pressure on fiscal expenditure will mount as needs rise to provide extraordinary support to businesses and livelihoods of those most vulnerable households affected due to COVID-19.
- Unfavourable external conditions stemming from slower growth in main trading partners, which can have an impact on tourism, remittances, and export receipts. Merchandise trade deficits are expected to persist as exports are expected to decline sharply and foreign goods (especially of food and fuel, other essential medical supplies and equipment) will continue to drive the imports bill.
- Fiji's increasing vulnerability to natural hazards and climate change will continue to be one of the most significant risks for long-term economic development. Like other PICs, Fiji is highly vulnerable to tropical cyclones, droughts, tsunamis, storm surges, and flooding. Fiji's susceptibility to such events is exacerbated by climate change, which has serious repercussions on agriculture and tourism which in turn worsens the incidence of household poverty and vulnerability, particularly of those who live in risk-prone coastal areas.

4.3 Policy options and recommendations

Economic policy responses to the COVID-19 pandemic need to be gender responsive to ensure they address the specific needs of women and men within all vulnerable groups as a crucial condition for them to be effective. These policy responses need to be understood and enacted in two stages: the lockdown stage, and the recovery stage. In both stages, effective health and economic policies will help to minimise the duration and intensity of the shock and will thereby allow for a much smoother recovery in economic activity. On the economic front, governments need to ensure that households are insulated from adverse income shocks and are able to meet their basic needs during the lockdown, ensuring women and men have equal access to the measures provided. Social safety nets need to be expanded to provide temporary relief to

households (especially poor informal sector and self-employed workers, particularly farmers, street and market vendors) whose earnings have been adversely affected by the crisis.

Similarly, for firms, and particularly SMEs with a specific focus on women-owned SMEs, economic support and confidence needs to be provided for them to quickly re-open their business activities. Special attention needs to be placed on SMEs, as the impact from the lockdown on start-ups or small businesses can be harsher as they have scarcer cash reserves and a smaller margin for managing sudden slumps. Monetary authorities will also have to provide any necessary liquidity injections into the economy to enable firms and factories to survive and stay connected to global value chains.

Dimensions	Policy options and recommendations

Health and social	➢ In the intermediate term, the government needs to focus on building contingency plans and invest in health infrastructure (especially for infectious disease control and management) and individual protective equipment to manage any probable large-scale spread of COVID-19 in a potential second wave, as countries slowly integrate into the global economy. Public health spending needs to be prioritised on procuring testing kits, hiring medical specialists, purchasing personal protective equipment and ventilators, and expanding the availability of ICU beds and isolation wards in hospitals, while ensuring health workers are taken into consideration for decision-making, and ensuring women health workers have equal opportunities to participate. ➢ Scale-up social protection: financing of social protection and safety-net programs needs to target those most at risk of falling into poverty as a result of the pandemic. Every household in the Pacific is affected by the COVID-19 pandemic, but the impact may be felt by some more than others; single-women headed households will have to be particularly supported. As COVID-19 spreads further, it will continue to expose the inequalities that exist in our economic systems in terms of gender and socio-economic status. The people who will especially suffer will be those already neglected, such as the informal sector workers who are underpaid, overworked and deprived of sick leave, unable to work from home. The poor and the vulnerable are least likely to have savings to survive lockdowns and any economic downturn. Under such circumstances, safety nets, especially cash transfers, paid leave, and health insurance targeted at the individual level, can provide quick financial support to overcome basic needs of vulnerable and poor segments of the society. The mechanics of these safety nets, such as cash transfers, need to be explored for the informal sector, married with cost savings ➢ In the medium-long term there should be a focus on upskilling workers, such as providing free technical education in key areas.

Economic	➢ Sizable targeted fiscal policies complemented by broader stimulus packages at the national level need to be implemented both to cushion the economic impact on households and businesses and to enable them to quickly recover from the fallout. PIC governments with large informal sectors also need to explore innovative digital technologies that can be used to deliver targeted income support and deliver direct transfers to identified individuals and households, while continuing to reduce the already existing gender digital divide. Additionally, because most informal workers and the rural poor do not have access to digital technology, other ways of making direct transfers should be explored. PIC governments also need to expand existing support programs and new programs and policies such as cash transfers, wage subsidies, tax relief, and re-scheduling of debt repayments needs to be introduced. ➢ Support business impacted directly by COVID-19, such as in tourism and affiliated tourism-allied businesses (and with special priority to SMEs and especially women-owned ones), through concessional finance to cover fixed costs of operation (e.g. lease payments, maintenance of core staff structure for property management & repairs), and provide higher future tax exemptions for physical improvements such as construction and rehabilitation of the property during the economic downturn. ➢ Monetary authorities need to introduce loan restructuring policies and provide any needed liquidity and credit guarantees to banks, to SMEs, and to informal workers. For example, governments could offer provisionally targeted credit guarantees or direct loans for short-term liquidity needs of firms in distress. Central banks could also request banks to renegotiate loan terms or temporarily defer loan and interest payments with no penalty for households and firms badly affected by the COVID-19 pandemic. Easing financial conditions and exercising regulatory forbearance will also help both households and firms to smoothen consumption, daily operations and have access to liquidity needs. Central banks in the Pacific region can also use swap lines to gain access to international liquidity.

Environmental	➢ Sustainable green recovery - environmental considerations should be taken on board across all sectors of response and recovery efforts. Stimulus packages should support the transition to a healthier, resource efficient, green and circular gender responsive 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, with an emphasis on women's and youth participation. Tying fiscal recovery to the actions which strengthen positive environmental and climate change impact offers a key opportunity to include "green" in the economic recovery, especially in the forefront of jobs creation and related vocational and professional training need for supporting the transition. The focus of such efforts can easily be applied to mitigation, adaptation, and nature-based solutions, all of which can increase resilience to climate change and related negative costs, as well as reduce the economic burden and dependency on imported fossil fuels and inefficient use of energy.

PILLAR 5: Social Cohesion and Community Resilience

5.1 Introduction

Although Fijian communities were heavily impacted by COVID-19 and TC Harold, strong social capital has enabled them to cope and become more 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 SDGs and foster peace and security while upholding the rule of law, human rights, gender equality, social cohesion and an inclusive approach to development. 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.

The assessment of the impact of COVID-19 on Fijian communities highlights the following themes as areas to continue to build on and strengthen to promote responsive leadership, social cohesion and community resilience: **governance and oversight; dialogue, communication and community engagement; and attention to at-risk and marginalised groups and the role of cultural institutions and civil society**. The analysis was based on the findings of UN agencies and a mixed method design that included desk reviews, interviews, surveys and focus group discussions.

The ability of people across the country and across cultural groups to respond to the challenges presented by COVID-19, the impact of the COVID-19 preventative measures and responses and the aftermath varied according to a range of factors affecting their resilience, including whether they: are urban, peri-urban or rural based; are dependent on the cash economy; have family members who are still employed; have been or are still receiving regular wages or only receiving payment for casual work; have access to land and natural resources; are marginalised for any reason such as gender or sexual orientation, suffering from mental health issues, including post-traumatic stress disorder; and are facing any kind of violence in the home.

The UN will provide support through various UN agencies to promote engagement, dialogue and building the capacity of governance institutions and communities and groups at risk, including women, persons with disabilities, and young people. The recommendations which are outlined in the section are based on actions in support of expanding the social contract. This includes recognition that responses to the COVID-19 measures and environment were experienced by groups and people differently and that support to institutional continuity and expanding access to goods, services and support through partnerships and dialogue in a democratic space is critical for respecting, protecting and fulfilling human rights.

5.2 Findings

Governance, structural vulnerabilities and inequalities

The Constitution, human rights and rule of law provides the necessary guiding framework for the democratic exercise of power, including when responding to a disaster or health emergency. Fiji has operated under two declarations of disaster from March 2020.[182] In response to COVID-19, the Government announced a number of preventive measures, including lockdown and curfew orders. A number of arrests were made in relation to breaches of COVID-19 restrictions[183] with some arrests

182 On 12 April 2020, a *State of Natural Disaster relating to Tropical Cyclone Harold* was declared over certain parts of Fiji, under the *Natural Disaster Management Act 1998*, which ended on 15 May 2020. On 15 April 2020, a second *State of Natural Disaster relating to the COVID-19 pandemic* was declared under the *Public Health Act 1935*, by Gazette No.13, 2020.

183 Between 19 March and 14 April 2020, 650 arrests were made in relation to breaches of COVID-19restrictions, and as of 22 June 2020, more than 3,500 arrests had been made in relation to curfew and social gathering breaches. See https://www.fbcnews.com.fj/news/covid-19/36-percent-spike-in-crime-rate-due-to-covid-19-arrests/

being challenged in the courts.[184] A number of people arrested were confined together in cells and brought to court in groups contrary to physical distancing requirements.

In response to physical distancing restrictions, efforts were made to harness alternate justice delivery mechanisms to ensure access to justice, in particular through the use of information and communication technologies. The Corrections Services and courts facilitated access to legal advice and online court hearings using laptops for videoconferencing. This technology also facilitated online family visits for prisoners.

The use of traditional media and social media has had positive impacts and it is important to balance this with ensuring democratic space and freedom of expression. Social media was useful in connecting families and friends during lockdowns, but lack of privacy protections is a concern.[185] The balance between privacy rights and the need to protect public health[186] will need to be considered more deliberately following the announcement in June 2020 that the Government will be implementing 'careFIJI', a new mobile contact tracing application. Efforts have been made by the Government to manage the spread misinformation by social media, but conversely, this resulted in some of degree of restrictions on freedom of expression. Students were also restricted in challenging alleged management issues at the University of the South Pacific, on the basis of COVID-19.[187]

Parliament has played a role overseeing the Government's COVID-19 responses.[188] Two parliamentary sittings were held during the COVID-19 state of emergency period.[189] Standing Orders were suspended during the extraordinary COVID-19 session in March, to expedite consideration of the COVID-19 Supplementary Budget,[190] but this limited the opportunity for debate and oversight. To accommodate physical distancing, the Speaker invoked powers under Standing Order 20 to amend seating and speaking arrangements for Members of Parliament and shared most parliamentary papers electronically.[191] Parliament also developed a policy on COVID-19 for the workplace, and the six Parliament Committees continued to meet[192] through the use of online platforms. The Parliament also invested in specific interfacing equipment to enable the sittings in Chambers and Committees to be broadcast on a free-to-air channel. The Secretariat is developing the Parliament's first business continuity plan, to respond to future business disruptions.

Ensuring transparency and accountability in relation to the Government's COVID-19 and TC Harold responses remains a key priority. Responses to COVID-19 and TC Harold required the Government to implement emergency procurements, as well as distributing stimulus and welfare payments directly to a range of beneficiaries. These disbursements need to be carefully overseen to ensure that they are not affected by corruption. The Fiji Independent Commission Against Corruption (FICAC) can play a role in monitoring expenditures relating to the recovery. FICAC has already requested capacity building support from UN Development Programme (UNDP) and the United Nations Office on Drugs and Crime (UNODC) on public procurement post-COVID-19. Fiji has a

184 See https://www.fijitimes.com/opposing-decisions/ for an analysis from the Fiji Law Council.
185 The second COVID-19 case was apparently made public via social media before the patient was even notified, causing him and his family considerable distress: information obtained from Facebook post from one of the patients.
186 Fiji is a party to a number of core international human rights treaties, including the ICCPR and ICESCR, which are inter alia responsible for regulating the right to privacy, the right to health and the prohibition of discrimination.
187 See https://www.fbcnews.com.fj/news/police-to-investigate-breach-of-covid-19-restrictions-at-usp-protests/
188 The main Opposition SODELPA party was suspended from Parliament on 26 May 2020 by the Registrar of Political Parties for breaching of the Political Parties Act and given until 27 July 2020 to remedy their failures: see https://www.feo.org.fj/sodelpa-suspension/; https://www.fbcnews.com.fj/news/politics/soe-clarifies-sodelpa-suspension/; and https://www.theguardian.com/world/2020/may/28/fiji-politics-in-chaos-after-main-opposition-party-suspended,
189 A special sitting was held on 26-27 March 2020 to pass the COVID-19 Supplementary Budget and to amend the Public Health Act 1935 and an ordinary sitting was held on 25-29 May 2020: see http://www.parliament.gov.fj/wp-content/uploads/2020/04/DH-Thursday-26th-March-2020.pdf; http://www.parliament.gov.fj/wp-content/uploads/2020/05/DH-Friday-27th-March-2020-08.pdf
190 See Hansard of the Parliament of Fiji, 26 March 2020, p.658: http://www.parliament.gov.fj/wp-content/uploads/2020/04/DH-Thursday-26th-March-2020.pdf.
191 See pg. 777: http://www.parliament.gov.fj/wp-content/uploads/2020/06/MONDAY-25-MAY-2020-v2.pdf
192 http://www.parliament.gov.fj/parliament-embarks-on-virtual-committee-meetings

'Right to Information Act 2018' enabling more transparency; proactive disclosure could be implemented regarding COVID-19 and TC Harold procurements and disbursements.

Civil society has been active in monitoring the Government response to COVID-19 and TC Harold, and seeking to encourage better policy-making by directing advocacy towards the Government based on their own analysis of community concerns. In the early days of the pandemic, the Fiji CSO Alliance for COVID-19 Humanitarian Response was established,[193] which has been collectively working with marginalised communities, women's groups and LGBTQI+ communities, mobilising networks built over many years. They have provided food aid, women's health supplies, counselling, promoting 'solidarity economics', mobilising cash assistance and assisting with backyard planting.[194]

COVID-19 restrictions were experienced differently by persons with disabilities (PWD), as social distancing put certain groups of PWDs at further risk, while budget support and social protection cuts also had an impact. The Government's efforts to ensure that COVID-19 health messaging for PWDs was inclusive of the deaf was commendable, as a sign language interpreter was available to translate news broadcasts on the COVID-19 response early on.[195] However, physical distancing restrictions did not take into consideration the specific needs of some PWDs; for example those with no vision need a sighted guide outside their home, wheelchair users with high support needs require assistance for mobility and self-care. Physical distancing measures impacted the service delivery of Disabled Persons Organisations (DPOs)[196] to their members, and reductions to DPO grants required some DPOs to adjust their existing programs and activities for members.

Social cohesion, cultural participation and community resilience

Within communities, some people have indicated that the lockdown period strengthened social cohesion as families and communities came together in lockdown and renewed their bonds, though enforced close living has also had some negative social impacts.[197] Conversely, some people reported feelings of unease and stress, both as a result of lockdowns and curfews and their enforcement and because of the health threats more generally. A survey showed that social and cultural participation and inclusion are essential to Fijian wellbeing and form the backbone of kinship relations, which have underpinned the solidarity economy.[198] Another survey[199] found that more than 85 percent of respondents (young people) identified that family and friends have been supportive during this crisis. Neighbours have been helping each other out, with religious organisations, church groups and women's organisations providing assistance when and as needed. It has been reported that "prior to COVID, the attitude was more 'mind your own business' but this rapidly changed in the face of need". [200] While community members generally understood the reasons for physical distancing, nonetheless such distancing is culturally alien and impacted directly on some cultural

193 By the Foundation for Rural Integrated Enterprises and Development, Fiji Women's Crisis Centre, Diverse Voices and Action, Citizen's Constitutional Forum, the Social Empowerment and Education Programme, femLink Pacific, Rainbow Pride Foundation and the Fiji Women's Rights Movement

194 See Nalini Singh and Maryann Lockington, DevPolicy Blog, Fiji civil society solidarity driving the COVID-19 humanitarian response, June 4, 2020. Accessible at https://devpolicy.org/fiji-civil-society-solidarity-driving-the-covid-19-humanitarian-response-20200604-2/?fbclid=IwAR297V5FN-k5Y50YVtoMLvSITOEEiesmYB9uraJlYuGWMpBkeCs91PMlGGE

195 A COVID-19 survey conducted by UNFPA of 116 young people (aged between 15-24) in Fiji 195 Anecdotally, feedback was shared that some in the community criticised this interpreter for her style of signing in social media, which was considered both hurtful and unhelpful and demonstrated a lack of understanding amongst the non-hearing impaired of how sign language is important to the deaf community: see https://www.fijivillage.com/news/Deaf-community-in-Fiji-now-have-access-to-accurate-information-relating-to-COVID-19-pandemic-485rfx. It is understood that the Fiji Disabled People's Federation is also working with the media to do series of media spots on the rights of disabled, which will be communicated in all of Fiji's language as well as sign language.

196 The Fiji Disabled Peoples Federation, Psychiatric Survivors Association, Spina Injuries Association, Fiji Association of the Deaf and United Blind Persons of Fiji.

197 Yaqona or kava drinking generally takes place in the evening and is a convivial way to pass time with friends, neighbours and family. However, the majority of yaqona drinkers are men and this pass time can last all night.

198 Survey undertaken by UNESCO.

199 UNFPA COVID-19Survey of 116 youths (aged 15 – 24) in Fiji.

200 Elise Huffer (2020) *UNESCO Fiji COVID-19 Assessment*, unpublished.

activties. In interviews for this report, young people expressed fear of being arrested by police or sharing information online, for fear of being sanctioned. The survey[201] found that 57 percent of young people felt there was more cooperation in their community, but 52 percent reported that everyone was worried about their safety. A substantive proportion surveyed reported stress due to COVID-19 and asked for a range of support services.[202]

Stories have emerged of families and communities rebuiliding their own local self-sufficiency through the use of *solesolevaki*, drawing on traditional approaches to food security.[203] A solidarity economy also evolved, which facilitated bartering and sharing of goods and services within communities.[204] Some villages have collectively thought about how to reorganise themselves to be less dependent on tourism and the cash economy with communal planting and rotating gardens enabling everyone in the village to tend a plot, ensuring everyone has food and shelter. Traditional food production increased, enabling people to eat more healthily. Community-based groups, friendship groups, civil society organisations (CSOs) and even private sector groups[205] have drawn on their existing networks to collect, barter and share goods with many participating in cultural 'giving' rather than simply through structured philanthropy.[206] Social media has been a site for the solidarity economy (e.g. village youth used Facebook pages such as Barter for Better Fiji, which has approximately 2,000 posts daily for exchanges of goods, services and information). Support via the solidarity economy does not show up in official statistics but has been critical to maintaining social cohesion and building resilience.

Some communities reported that confusion and misinformation in relation to early COVID-19 messaging put a strain on social cohesion by exarcerbating community fear.[207] The survey found that 40 percent of young people felt they were more vulnerable because of their age; 33 percent of girls reported they feel more vulnerable due to their gender.[208] Many communities initially had little understanding of COVID-19, which made them fearful of some of the stories circulating. Because information materials were provided in English only initially (other than some messaging on TV and on the radio), some were confused and frightened about the virus[209]. In some villages people initially did not understand the seriousness of the virus but, through social media use and media broadcast, came to realise that they had to be careful and respect the physical distancing rules.[210] The lack of messaging in iTaukei and Hindi resulted in the circulation of misinformation.[211]

Restrictions on public gatherings due to physical distancing had positive and negative impacts for community members. For example, funeral gatherings had to be limited in attendance and time, but this does not appear to have diminished community support for the bereaved while serving to lessen the burden on village young people and women who are responsible for hosting and catering. On the other hand, some reported that restrictions on gatherings impacted on their ability to express their culture and to socialise. Women's and youth groups in particular, have reported feeling the

201 UNFPA COVID-19 Survey of 116 youths (aged 15 – 24) in Fiji.
202 Support services includes peer support, access to online or offline counselling services, access to art and games to deal with the stress, and increased mental health awareness initiatives on diverse platforms of communication.
203 See https://www.fijitimes.com/return-of-traditional-governance/; Elise Huffer (2020) *UNESCO Fiji COVID-19 Assessment*, unpublished.
204 The concepts and practices of *solesolevaki*, collective labour for the common good, which can be loosely translated as 'working together towards a common aim'; the reciprocal *kerekere* which refers to asking for goods and services when needed (can be for daily or ceremonial needs); *dau veivukei* which refers to offering help; *yalo solisoli* which refers to generosity, and *lesu kina qele* (going back to the land. For further details and more such concepts and practices, see Steven Ratuva, 2005, Social Security in Fiji, Kiribati, Samoa, Solomon Islands, Vanuatu: Traditional Social Protection Systems in the Pacific, Culture, Customs and Safety Nets, ILO.
205 An example of this is a SME group with close to 30 members that has coordinates on Viber and has provided care packs to families and households for the past 11 weeks. Much of this is done anonymously.
206 Although many organisations in Fiji participate in philanthropy on a regular basis, this COVID-19 period has seen many more spontaneous examples of giving.
207 Ibid.
208 UNFPA COVID-19Survey of 116 youths (aged 15 – 24) in Fiji.
209 See for instance, FemLink Pacific's observations of community https://www.facebook.com/notes/femlinkpacific/when-you-hear-covid-the-next-reaction/10158479897164295/.
210 Organisations such as DIVA for Equality, used their networks, telephone trees and messenger hubs to redress the problem by quickly providing accurate information, and also carried out a social media campaign in different languages.
211 Elise Huffer (2020) *UNESCO Fiji COVID-19 Assessment*, unpublished.

impact of restrictions on their ability to meet and socialise. Restrictions on night fishing due to the curfew was also problematic, while many farmers were required to farm alone which made their work harder. Some young people also felt that communication in the village, including from the elders, was missing due to the absence of gatherings, which impacted on their sense of commuity belonging.

Some of the most vulnerable communities are those in urban and peri-urban informal settlements. Globally these communities have been identified as hotspots for COVID-19 transmission due to the densities which prevent social distancing and due to the lack of access to water and sanitation. Such vulnerabilities need to be considered when preparing for future disease outbreaks, including COVID-19. Informal settlement communities are also particularly vulnerable to the socio-economic impact of COVID-19. A survey conducted by UN Habitat amongst 16 informal settlements in four towns revealed that 84 percent of households saw a loss of income and 40 percent of households reported that their income fell by more than half. Given their precarious locations, many of these communities are also affected natural disasters and climate change, further reducing their capacity to adapt to the Covid crisis and seen during TC Harold.

Cultural institutions, livelihoods and employment

The contribution of Fiji's artists and artisans to society and the economy is currently undervalued, and they have been very hard hit by COVID-19, reporting a drop in income of between 40 to 100 percent. Contemporary artists and artisans provide a large portion of the goods and services linked to Fiji's tourism industry, but their role is not systematically valued as part of the tourism sector. There has been no dedicated relief package for artisans, artists and performers, unlike in some other countries. As most artisans operate in the informal sector, working through unregistered village groups, or have micro-businesses, usually operating as sole traders, they are not very visible and are struggling. There are no associations or collectives to advocate for the needs and interests of artists (other than in the fashion industry) and artisans. Many contemporary artists expressed disappointment at the lack of attention by the government agencies. Most artisans have lost virtually all their income but have sought to find alternate means of 'survival', for example by planting and fishing,[212] selling homemade food and engaging in the 'solidarity economy'. Major retailers of handicrafts have been laying off staff, with knock-on effects for artisans.[213] On a more positive note, some artisans have used the COVID-19 lockdown period as a time of artistic reflection and renewed creativity, and some artists and artisans are also starting to harness ICTs for the benefit for their work.[214]

Cultural institutions across Fiji have also been hard hit, both as a result of loss of revenue from tourism but also because of cuts to their budgets as the Government reallocates their budget to respond to COVID-19 and TC Harold. The Department of Heritage and Arts (DHA) received a 60-70 percent cut across the board, which began in the 2019-2020 budget and was further cut in the Supplementary COVID-19 Budget.[215] The Museum had a cut of 21 percent from the 2018-2019

212 For example, VOU Dance Company established a food garden on its VOU Hub land – the dancers maintain and harvest it for their own use.

213 Jacks Handicrafts, which sells large amounts of handcrafts in it stores throughout Viti Levu and in the Nadi airport, recently laid off 500 employees. The Suva Handicraft Market, which is a major buyer of crafts from artisans around Fiji and the principal seller to large retailers like Jack's Handicrafts and Tappoos', have 70 percent of stalls closed and the remaining 30 percent stalls are opened daily by their renters only to ensure products are secure: see *Fiji Times*, May 23, p.24

214 Some artists and artisans are now offering online classes, streaming performances and developing websites to sell their products online. For example, VOU is hosting a paying Fijian Dance Class Experience via zoom, while another artist has set up a range of classes online: music, Pacific dance, fire dance. He shared that he tested the system for a couple of weeks, ensured he had the 'right gear'. Within the first week of his online offerings, he had five students taking private lessons; the second week he had 10, the third week he had 15 and by week four he had 20 students.

215 Fiji's budget cycle is from 01 August to 31 July. A percentage cut was made initially to the 2019-2020 Budget and a further cut was made in the Supplementary COVID-19 Budget. Certain work programs within the DHA, such as the World Heritage Unit and the Cultural Statistics Programme were particularly affected, with almost a complete loss of budget. The National Culture Policy Unit lost close to 80percent of its

Budget and was then cut again by 23 percent in March. The Fiji Arts Council (FAC) lost approximately one third of its budget; the National Trust of Fiji (NTF) lost 22 percent of its budget; the iTaukei Institute of Language and Culture experienced a 40 percent budget cut. Nonetheless, most agencies have tried to maintain their permanent staff and have organised work-from-home schedules to enable staff to continue working.[216]

Most cultural institutions have been unable to maintain their usual program of work supporting cultural activities but have been proactive in developing post-COVID-19 strategies and using this opportunity to 'reset' their engagement with other ministries, partners, local Fijian communities and international visitors. NTF sites throughout Fiji have been closed to the public since the beginning of March, as have other cultural spaces, such as the Museum, the FAC Art Gallery and the six Multicultural Centres, with only the NTF rangers still rostered on to ensure there is no vandalism or encroachment on the NTF sites. The FAC has had to cancel its traditional crafts skills trainings which it carries out in rural areas and various exhibiting events.[217] In an effort to plan for future reopening, the DHA and its agencies are finalising a collective post-COVID-19 policy framework, with a focus on working more closely with other government departments to integrate culture across other sectors, while innovating to more efficiently promote the arts.[218] The Museum has been developing its virtual museum and online shop, and posts regularly on its Facebook page.[219] The NTF is working on making national heritage sites more useful to local communities by providing services such as access to computers and internet, and spaces for training, markets and other events. The FAC is considering developing an e-platform to promote heritage arts and the iTaukei Institute of Language and Culture is planning to focus more on the promotion of traditional foods and cuisine.

5.3 Policy options and recommendations

Dimensions	Policy options and recommendations

budget, while funds allocated to implementation of activities related to the 2003 *Convention on the Safeguarding of Intangible Cultural Heritage* were reduced by one third.

216 Some staff were locked out of Suva during the two-week lockdown period in April 2020.

217 Divisional exhibits are funded by the Ministry of Women, Children and Poverty Alleviation and collaboration between the Ministry and FAC began in 2015. The best crafters participate in the annual National Women's Expo held in Suva. It is unlikely any of these activities will take place in 2020 which will have a significant impact on the artisans, financially and otherwise. The National Arts and Crafts Exhibit which would normally have taken place at the end of March 2020 has also been cancelled. This exhibit was cancelled a first time in December 2019 due to the global measles outbreak, as a preventative measure.

218 For example, the DHA's cultural development survey which will be rolled out in all of Fiji's schools using Fiji's Education Management Information System (FEMIS). The survey is ready to be conducted once the teachers, principals and data entry people are trained. In order to complete the training, the DHA plans to work with the Government's IT section. The Fiji Arts Council is seeking to work more closely with other government ministries and departments, including Foreign Affairs to directly support Fijian artwork and artists. It is also working with the Ministry of Education to develop an 'adjunct practitioners' program' where holders of intangible cultural heritage could work in schools, thereby strengthening cultural education.

219 See http://virtual.fijimuseum.org.fj/. The Museum has noted that they have had good responses and heightened interest in the Museum through the Virtual Museum site. Facebook is very popular in Fiji and is used by a range of age groups (other than young children).

Governance, structural vulnerabilities and inequalities	➢ Undertake an independent review of how the lockdown and curfew orders worked in practice, enforcement approaches, case law and human rights standards, disaggregated by location (rural, peri-urban, urban formal, urban informal) and by livelihood of main income earner, to identify good practice and lessons learned to inform the response to a potential COVID-19 second wave and/or future disaster responses[220]. ➢ Invest more budget resources into the COVID-19 strategy of making government services more accessible through online channels (e-government), including not only facilitating applications for government benefits but also delivering government services online where appropriate (e.g. courts, prisons, telehealth). Initiate a review of relevant policies, by-laws and regulations to facilitate the expansion of on-line services and e-governance. ➢ Provide extra budget resources to the Auditor General and FICAC to undertake specialised investigations in relation to COVID-19 and TC Harold recovery expenditures. ➢ Consider issuing a regulation under the Right to Information Act requiring proactive disclosure of information related to the COVID-19 and TC Harold responses, in particular in relation to expenditure of recovery funds[221]. ➢ In order to harness the "demographic dividend" offered by the large number of young Fijians (17percent of the country's population is in the age group of 15-24 years), concerted investments should be made in their education, training, access to decent work, health with a focus on mental health. It is crucial to channel resources towards developing a cadre of young Fijians who are active, engaged citizens in development and governance. More specifically: • Improve all young people's access to and completion of secondary education. Education prepares the way for the demographic bonus because mortality and fertility decrease with a population's rising standard of education. Secure equitable, inclusive and quality education as a solid foundation to also build back better in the longer-term; • Provide funding explicitly to support youth innovation and youth entrepreneurship, premised on knowledge, IT skills and service intensive sectors; • Review laws, regulations and existing entrepreneurship programs to support youth to access capital funding from financial institutions and government programs, and review market development programs to include specific funding to support youth entrepreneurship, including opening up access to local and regional markets; • Develop, implement and resource a new National Youth "Skilling" Strategy that rebrands and expands provision of vocational skills to meet labour market supply needs, based on a post-COVID-19 needs assessment; • Provide funding to support the implementation of family life education/comprehensive sexuality education and expand adolescents and young people's access to youth friendly sexual reproductive health services, including through funding for public health facilities to increase access to contraceptive choices and education to reduce unintended pregnancies; • Issue a government regulation to require the participation of young people in government planning, decision-making and

	oversight mechanisms to be specifically included in all departmental program development guidelines and terms of reference; • Provide funding to support youth leadership, including to fund youth leadership development and mentoring programs, including through the Fiji Parliament. ➢ Furthering Fiji's implementation of the Convention on the Rights of People Living with Disabilities, mainstream disability across ministries, accompanied by budget support address the needs of PWDs with a requirement to produce monitoring and disaggregated data reflecting on the impact of such funding on them.

220 For example, in Victoria, Australia the Government has commissioned an independent inquiry into their lockdown processes following renewed outbreaks in June 2020.
221 Experience globally (esp. India) show such measures can be useful in ensuring accountability for how funds are spent and encourage social accountability

Social cohesion, cultural participation and community resilience	➢ Ensure access to reliable and accurate information about COVID-19 in iTaukei, Hindi and minority languages. Develop innovative community engagement and messaging through the use of local arts and culture. ➢ Commission a review analysing the revival of traditional food systems and construction methods at the village level, and the development of a "solidarity economy" during COVID-19 to identify good practices and lessons learned. Accordingly, provide resources to integrate such activities into Fiji's ongoing employment and disaster mitigation and response plans and activities, through programming that more systematically facilitates the transmition of traditional knowledge with the aim to increase resiliece, food security and reduce reliance on inported goods and skills; ➢ Commission a review of the use of online and other innovative communication platforms during COVID-19 with a view to identifying good practices and lessons learned for promoting social cohesion and inclusion in local and national decision-making. ➢ Convene multi-stakeholder dialogues (bringing together government and customary authorities, women, youth and marginalised groups) to discuss how COVID-19 has affected people's lives, the values and norms they put into practice, the actions they took to ensure community wellbeing; and how the lessons learnt can serve them in the future. Document the reflections captured through these dialogues and development recommendations for Government to inform future disaster responses. ➢ Targeted interventions in informal settlements and vulnerable peri-urban and rural communities can address many of the key recommendations across the five pillars of this assessment in a particluarly effective manner, including public health interventions, basic services and infrastructure investments and livelihood and labour-intensive recovery strategies.
Cultural institutions, livelihoods and employment	➢ 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 DHA post-COVID-19 Strategic Plan, in line with SDG Target 11.4. ➢ Provide specific Government support to the cultural and 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. ➢ Provide small grants funding to relevant arts peak bodies to support cultural entrepreneurs and practitioners to create spaces enabling communities to maintain social ties through artistic expressions during the COVID-19 recovery phase. ➢ Convene one or more 'development' dialogues with Fiji artists, innovators (e.g. those that established Barter for Better Fiji) and CSOs such as the Alliance to seek out new pathways for enhanced cohesion and resilience, particularly in urban and peri-urban settings and with marginalised communities.

ANNEXES

See accompanying Socio-Economic Impact Assessment Fiji – Annex document for full details of listed addendums.

Annex 1A. WHO – Recommended monitoring indicators

Annex 1B. Scenario analysis using the WHO COVID-19 essential supplies forecasting tool[222]

Annex 2A. UNICEF – Social protection and basic services

Annex 2B. IFAD – Socio-economic impact assessment of COVID-19 on food and nutrition security

Annex 2C. UN Women – Diagnosis of the impact of the crisis on gender-based violence

Annex 2D. UNESCO – Socio-economic impact assessment of COVID-19: preliminary analysis on supply side

Annex 2E. UN Habitat – Socio-economic impact of COVID-19 on urban systems in Fiji

Annex 3A. UNDP – Rapid policy appraisal on employment, MSMEs and the informal sector

Annex 3B. IOM – Labour Mobility Rapid Assessment

Annex 3C. UN Women – Socio-economic impacts on the most vulnerable

[222] https://www.who.int/publications/m/item/covid-19-essential-supplies-forecasting-tool

https://www.who.int/who-documents-detail-redirect/faq-covid-19-essential-supplies-forecasting-tool

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