**HON. PM BAINIMARAMA AT THE FIJI DEVELOPMENT BANK’S 50TH ANNIVERSARY CELEBRATION**

**7/28/2017**

Speaker of the Parliament of the Republic of Fiji;

Cabinet Ministers;
Honourable Attorney-General and Minister for Economy;
Chairman and Board Members and Management of FDB;
Assistant Ministers;
Distinguished Guests;
Ladies and Gentlemen.

Bula vinaka and a very good evening to you all.

I’m delighted to be here this evening as we look back on the history of our national development institution, the Fiji Development Bank, and celebrate the enormous good that the FDB’s work has achieved for hundreds of thousands of the Fijian people.

The FDB – as it stands today – is true to its tag line as a partner in progress to my Government, and has played major role in making us the modern, dynamic island economy that we are today. But it is no great secret that the 50-year journey of the FDB has not always been a smooth one.

Not so long ago, my Government had to step-in to provide proper direction to the FDB. Under prior years of mismanagement, unfortunately, debts that should not have been written off were being written off left and right, and the FDB was used as a piggy bank to fund short-sighted development. But those days are now well behind us, and under the leadership of our new board, the FDB is operating at the high standard worthy of the Fijian people it is meant to serve. And our board members deserve full recognition for stepping boldly out of the past and positioning the Bank to stand on par with other esteemed financial institutions.
Since that turnaround, the FDB is emerging as a contributor to our vision for development, uplifting Fijian businesses by giving a leg-up to our entrepreneurs at the grassroots level and helping our bigger players expand in regional and international markets.

Your work is supporting Fijians to turn their dreams into reality, pursue opportunity and take that bold first step into the common market – putting their best ideas and business acumen to the test.
The leadership of our new board has also led the FDB to unprecedented achievement in its profits and growth, and in 2016 the Bank delivered a net profit of 7.21 million dollars, a nearly 20 per cent increase over the year prior. As of 2016, the FDB’s portfolio stood at 4,608 accounts, with loans totalling 375.52 million dollars, an increase of ten per cent in size and two per cent in value over 2015. This is especially impressive considering the severe blow our economy took due to devastation wrought by Tropical Cyclone Winston. Your growth – despite the challenge of Winston – speaks directly to the calibre of the management of your institution. And the decisive action your Bank took to assist Fijians affected by the cyclone speaks to your sincere dedication to Fiji and her people.

In one of my Government’s flagship initiatives, the Micro and Small Business Grant scheme, we partner with the FDB to provide grants to entrepreneurs to expand or start their businesses. To date, we’ve assisted 9,750 Fijians, investing over $9.3 million in the potential of our local entrepreneurs to create employment for our people at the grassroots level.

So we can all be very proud of what FDB has grown to become. But it isn’t enough to simply do well. We have to always strive to do better.

My Government has brought eight straight years of economic growth to Fiji, and that has brought with it enormous change. As that prosperity spreads across our islands, ordinary Fijians are becoming more engaged with our economy, and they need a development bank that is ready to support them as they step up their role in our national development.

As Fiji continues to do well, the FDB will need to reposition itself to take on new challenges and realise new opportunities. The Asian Development Bank has recently undertaken a comprehensive review of the FDB to determine how the Bank can become even more responsive to the demands of the Fijian market and economy. And as we look ahead, the FDB will have to take serious steps to review its own mandate and reorient its focus to meet the evolving development needs of our country.

I’ve spoken many times before on my Government’s keen interest to make our economy more inclusive and bring more Fijians into the fold of our economic prosperity. Our work to empower the Fijian people – whether through security of tenure, land development, home ownership or otherwise – has seen an explosion in the number of Fijians eager to join our formal financial sector, and I’m glad to see the FDB respond to that demand.

Ladies and gentlemen, I’m excited, this evening, to announce that the FDB is making it more affordable than ever before to take out loans with the Bank. As of 1 September, for a six month period, all application fees for loans under 20,000 dollars will be waived, along with the establishment fees for all loans up to 5,000 dollars.
There is much that can be said about what the FDB has done over the past 50 years. But I would like to spend some time this evening looking towards the future – to the next 50 years and beyond. And speak on my Government’s vision for the Fiji we will leave behind for the next generation, and the role we expect the FDB will play.

Fiji is in the midst of extensive preparations for our Presidency of COP23, as we assume the tremendous responsibility of leading the United Nations negotiations on climate change this November in Bonn, Germany.

The stakes could not be higher, as the effects of climate change are already at our doorstep and they are only projected to become more severe. And the community of nations cannot afford to take a single step backwards in the campaign to spare our planet from the worst effects of climate change.

Our presidential agenda for COP23 will seek to maintain the multilateral consensus for decisive action to reduce carbon emissions and arrest the current rate of global warming. As part of that commitment, we will seek full implementation of the Paris Agreement on Climate Change and lay the groundwork for even more ambitious action down the track.

But even in the best case scenario, due to the massive amount of carbon that has already been emitted into our atmosphere, the rising seas and extreme weather events will not relent, and billions of people will continue to feel the severe impacts of climate change. As a small island nation, our development is particularly at-risk. So it is critical we take immediate action to boost our resilience to secure a viable future for our people.

As part of our strategy to climate-proof our infrastructure and boost the resilience of the Fijian economy, we have nominated the FDB to become a National Accredited Entity under the Green Climate Fund. This accreditation will grant us better access to the critical finance we need to adapt the Fijian economy and stave off climate catastrophe for the Fijian people.

The GCF is global fund that supports efforts of developing countries to adapt their economies to the impacts of climate change by improving access to finance to fund low-emission and climate-resilient development.

The process of accreditation is not an easy journey, but the FDB is still well on its way to becoming accredited, giving the Bank direct access to climate finance that will fund critical adaptation work throughout the country.

Currently, we rely too heavily on multilateral institutions to administer adaptation finance throughout the Pacific. Once it achieves accreditation, the FDB will step into that space, becoming the key agency in Fiji for coordinating climate action. And the FDB Board, and in particular the management and staff, need to make this an area of major focus going forward.

That responsibility will include efforts to drive cooperation between the public and private sector to attract investment in climate-resilient projects and finance the growth of enterprises that develop our natural resources, while also pursuing sustainable practices that help conserve our environment.

Cyclone Winston was a brutal lesson for Fiji and it exposed many of our vulnerabilities to the severe effects of climate change. We can’t risk putting ourselves in that position again. Because we’ve achieved too much good for the Fijian people to let it all be washed away by the fury of another cyclone.

We need to take dramatic action, and we are. We’ve engrained resilience into every level of our development, and have poured resources into our rebuild from Winston to raise the standard of our infrastructure, schools and homes to better withstand severe weather events.

The FDB will soon be on the frontlines of our work to ready Fiji for the storms we know are headed our way – forging innovative solutions to keep our growth climate resilient and funding projects that will adapt our network of infrastructure to better serve the Fijian people – even in times of crisis.

That will be a tremendous responsibility, but I have every confidence that the FDB, its Board, management and staff, are the right team to lead Fiji into a climate-resilient future. Alongside my Government, we will keep our economic growth sustainable, keep up our businesses prosperous and keep the Fijian people secure.
Congratulations on your Golden Jubilee. You have plenty to celebrate in your 50-year history of helping build up our nation, and I look forward to working alongside your institution as we lay the groundwork for the next 50 years of service to Fiji and the Fijian people.

Vinaka vakalevu. Thank you.