

## Editor's Note

Welcome to the 4th issue of the FSDC E-Guardian, 2011.

Another quarter and another year has come to an end.

In November, Future Forests Fiji Limited officially listed its ordinary shares and convertible notes on the South Pacific Stock Exchange after a successful initial public offering period.

Also in November, we held a one day Corporate Governance Workshop for Directors and Executives that was attended by 50 Board Directors and Executives from various companies in Fiji.

In December, the Reserve Bank, in collaboration with the Asian Development Bank and APEC Financial Regulators Training Initiative, hosted a Regional Seminar on Market Supervision at the Tanoa International Hotel in Nadi. A total of 42 participants from 14 different countries in the Asia-Pacific Region attended the 5 day seminar.

We thank all our partners and stakeholders for joining us in our efforts of making the last quarter a successful one and we look forward to your continued support in 2012.

*Vereimi Levula*  
Chief Manager FSDC



## Future Forests lists on the South Pacific Stock Exchange

Future Forests Fiji Limited officially listed both its ordinary shares (FFF) and convertible notes (FFFN) on the South Pacific Stock Exchange (SPSE) on 21 November, 2011, marking the first forestry company to be listed on our local stock exchange.

Future Forests Fiji was granted approval to undertake an Initial Public Offering (IPO) prior to the listing and in the process, the company successfully raised more than \$2m from the issue of shares and notes. At listing, FFF had a total of 133 shareholders and 95 note holders who subscribed during the IPO. The capital raised will be used to expand the company's plantations and office administration facilities.

The official listing was held at the Reserve Bank and opened by SPSE Chief Executive Officer, Ms Jinita Prasad. Present at the launch were Minister for Justice and Attorney General, Mr. Aiyaz Sayed-Kaiyum, Reserve Bank of Fiji Governor, Mr Barry Whiteside Reserve Bank staff, capital markets intermediaries, investors and interested members of the public.

At 10:30am, Governor Whiteside marked the opening of the trading platform with the traditional ringing of the bell and the audience watched as brokers executed orders for FFF. At the close of the morning trading session the share price of FFF rose by 2.5% to \$0.82.

while there were no trades in FFF Notes resulting in the price unchanged at \$1.00.

The listing brings the number of companies listed on the SPSE's main board to 17 and increases the number of securities to 18. The last company to list its securities prior to FFF was BSP Convertible Notes Limited (BCN), which was listed on the SPSE Interest Rate Securities Board in May, 2010.

The Reserve Bank congratulates Future Forest Fiji and the SPSE on the successful listing in 2011.



*Investors & potential investors present at the FFF listing*

### What's happening in our Capital Markets?

- Future Forests Fiji officially listed on the South Pacific Stock Exchange
- Valuation of Unlisted Securities Workshop- 20 October, 2011
- Corporate Governance Workshop for Directors - 22 November, 2011
- Licence renewals for 2012 in progress

## RBF hosts ADB/APEC FRTI Regional Seminar on Market Supervision



*Seminar participants were treated to a traditional welcome ceremony and feast at Sabeto Village, Nadi*

The Reserve Bank hosted a regional seminar on Market Supervision under the Asian Development Bank/ APEC Financial Regulators Training Initiative (FRTI) from 5-9 December 2011. The seminar was hosted at the Tanoa International Hotel in Nadi and was officially opened by the Reserve Bank Governor, Mr. Barry Whiteside.

The training program focused on some of the most challenging tasks regulators are having to deal with given the new-age of technology trading, and in particular, monitoring of high frequency trading. Other issues such as the latest trends in the supervision of market intermediaries and surveillance of the market, how regulators are making use of technology in carrying out their supervisory activities, the importance of risk based supervision, detection of market misconduct and creating an awareness of how regulators are dealing with cross border supervision, were also discussed.

The APEC Finance Ministers endorsed to launch the Financial Regulators Training Initiative in May 1998 in the wake of the Asian financial crisis. The crisis then made it clear that reforming the region's financial systems, especially strengthening the prudential regulatory environment, was a major necessity. One area that needed attention over the medium to long term was to build a program to train financial supervisors and regulators in an attempt to keep them abreast of latest international best practices and how to apply them to the reforms being undertaken. The primary aim of the APEC FRTI is to strengthen financial supervision and regulation in the APEC member countries by enhancing the analytical and technical capacities of financial supervisors and regulators. The ADB serves as the Secretariat and provides funding for the initiative.

Since its inception in 2001, the FRTI has trained more than 3,600 bank supervisors and securities regulators.

The training seminar on market supervision set another milestone in APEC FRTI history. A total of 42 participants from 19 different institutions from 14 different economies across the Asia-Pacific Region, and as far as Tanzania, attended the seminar. According to ADB records, this seminar recorded the highest number of institutions attending any one seminar.

The Reserve Bank thanks the ADB for the opportunity to host the seminar in Fiji.



**Table 6 participants** L-R: Ms. Sasakorn Nimitpiraksa (Thailand), Ms. Jinita Prasad (Fiji), Ms. Mun Lee Loh (Malaysia), Mr. Setio Basuki (Indonesia), Mr. James McGoon (Fiji)



*Participants enjoying BBQ and cocktails sponsored by SPSE & RBF*



**Seminar Presenters** L-R: Mrs. Stella Fung (Securities Commission of Honk Kong), Mr. Tony Sio (SMARTS Australia) and Ms. Amanda Mark (Australia Securities & Investments Commission)



*FSDC Chief Manager, Mr. Vereimi Levula presenting participation certificate to Mrs. Cathy Shyan-Yin Lu (Taiwan)*

## Bank of Baroda Promotes Financial Literacy

Bank of Baroda (BOB) has taken another step forward in promoting financial inclusion by arranging financial literacy training for vegetable vendors.

The Microfinance team of BOB visited the vegetable market in Suva and addressed a group of 75 market vendors.

Vendors were informed of the benefits of savings and banking facilities. The BOB team gave some tips on fund management and how to exploit the available resources to increase their income level. Vendors were also advised to take advantage of the bank's microfinance schemes to start small businesses or to expand their existing business.

According to Bank of Baroda, vendors showed a keen interest in the financial literacy session and made enquiries on the formalities of opening a bank account.



The BOB team in action

## Valuation of Unlisted Securities Workshop

A one day workshop on "Valuation of Unlisted Securities" was organised on 20 October, 2011 as part of Reserve Bank's efforts to provide training opportunities for capital market intermediaries and stakeholders. A total of 35 participants from capital market intermediary firms, commercial banks, FNPF and Ministry of Finance attended the seminar.

The workshop was facilitated by Mr. Jeremy Hook, an experienced and highly qualified investment and broking professional from Australia.

The seminar covered technical and practical issues involved in valuation, where valuation differs in its application between listed and unlisted securities and provided participants with some of the tools to understand and apply valuation in the practical context.

Participants were eligible to claim 5 CPE points for attending the workshop.



Participants with facilitator, Mr. Jeremy Hook (center)

## Contact Details for FSDC Group



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## UPCOMING EVENTS

National Financial Inclusion Taskforce Meeting – Feb 6

Local Advisory Board Meeting – Feb 8

Capital Markets Workshop – "Finance for non-financial Managers and Board Directors" - Mar 21-23

Capital Markets Seminar - "Role of the Company Secretary" - Mar 29

Capital Markets Securities Licensing Exam enrolment - Feb 29 - Mar 25

Launch of "Mai Kana – Fiji Style" recipe Book - March

Release of Financial Competency Survey Report - March

### Status of Complaints against regulated financial institutions at 31 December

	QTR. 4			QTR. 3			QTR. 2			QTR. 1		
	Received	Closed	Investigation	Received	Closed	Investigation	Received	Closed	Investigation	Received	Closed	Investigation
Banking & CIs	6	2	4	15	12	3	9	9	0	12	12	0
Insurance	4	0	4	8	5	3	6	6	0	6	6	0
Capital Markets	0	0	0	1	1	0	0	0	0	2	2	0
Superannuation	0	0	0	0	0	0	0	0	0	1	1	0
NBFIs	0	0	0	1	1	0	1	1	0	2	2	0
Foreign Exchange	0	0	0	0	0	0	0	0	0	1	1	0
<b>TOTAL</b>	<u>10</u>	<u>2</u>	<u>8</u>	<u>25</u>	<u>6</u>	<u>6</u>	<u>16</u>	<u>16</u>	<u>0</u>	<u>24</u>	<u>24</u>	<u>0</u>