

### Statement by the FBC board.

We in the FBC board are compelled to make the following clarifications and public statement in light of continued misinformation and erroneous propaganda perpetuated by certain individuals and organizations against the Fijian Broadcasting Corporation.

Despite being hailed as one of the Fijian government's best performing statutory organizations with the fastest turn around audit times, false and misleading allegations about the FBC continue to be perpetuated by certain individuals, organizations and even some media outlets who have an agenda against Fiji's public service broadcaster.

To put all the blatant rumor mongering and unsubstantiated public allegations to rest, the FBC board is compelled for the first time to publicly clear the air on aspects of the FBC's operations.

The Fijian public and those that perpetuate fabricated narratives about the FBC are urged to take note of the following facts.

1. The Fiji Broadcasting Commission began operations in 1954.
2. The FBC, like its Australian counterpart the ABC, was started as a fully funded state broadcaster.
3. The FBC changed from a fully funded commission to a corporation in 1998 becoming a commercial entity that began selling commercial air time.
4. Apart from its new commercial broadcasting role the then Fiji Broadcasting Corporation entered into a contract with the Fijian government to produce and broadcast certain public service programs via its AM frequency for the benefit of all Fijians with an emphasis to especially reach out to Fijians in rural and maritime areas that do not have access to other media.
5. This AM service, the only one of its kind in Fiji, is the only media platform reaching a 100% of Fijians. However, it is a very costly platform to operate with the annual repairs and maintenance bill alone costing around \$800-thousand.
6. The FBC's five AM sites were consolidated into one new massive 10 Kilowatt transmission site to the tune of \$15-million with the support of the Japanese government in 2017.
7. This money paid to the FBC under the PSB contract was a fee for specific non-commercial services and treated as revenue in our books.
8. The official reference to this fee as a "grant" was essentially wrong in principle but nevertheless this practice continued for many more years as per the governments instruction.
9. As per the PSB contract the fee paid to the FBC by the government was increased in 2010 to reflect increased production and broadcast services for PSB content for radio and the new national TV service.
10. Following this the PSB fee was then treated as capital contribution as per the government's decision but was still erroneously referred to officially as a grant.
11. The PSB fee was again increased in 2016, however it always was and still remains less than 50% of the total value of all PSB services provided by the FBC.
12. This fee is paid to the FBC on a quarterly basis for its AM radio service and production, and the broadcast of specific public service programs for both radio and television.
13. This PSB fee is paid to the FBC only after a quarterly submission by the FBC and subsequent approval of detailed acquittals and financial reports by the relevant ministry as per the PSB contract.
14. The FBC's auditors, KPMG from about 2012 onwards advised the FBC that under the International Financial Reporting Standard (IFRS), the money paid to the FBC under the PSB contract for specific public service programs and transmission was essentially a fee and should be treated as revenue and not as capital contribution in our financial statements.
15. This is the same principle as the Fijian Government paying a fee to EFL and WAF for electricity and water it uses, which the two entities then treat as revenue. The only difference being that the FBC does not operate in a monopolistic environment like EFL and WAF.
16. The cabinet agreed to comply with this international accounting standard and the fee was again treated as revenue from March 2016 onwards.
17. This money paid to the FBC under the PSB contract was officially recognized and referred to as a fee and not a grant from this date onwards.
18. Contrary to persistent misinformation peddled by some, 2016 was not the first time the FBC made a profit.
19. After many years of sporadic losses, the FBC recorded its first significant profits in 2008/2009, one year after the appointment of the current CEO in December 2007.
20. Facing an imminent closure due to its seriously failing infrastructure and to establish the nation's largest free to air national television project, the FBC undertook the single biggest media refurbishment and upgrade project in the history of Fiji between 2009 to 2011.
21. It did this by securing a \$21 million loan from the FDB at a massive interest rate of 12%.
22. Faced with such a huge loan portfolio and the expenses associated with the establishment of Fiji's biggest free to air national television service and the depreciation associated with such a massive capital intensive project, the FBC realistically projected losses for a number of years.
23. Despite being burdened with an enormous loan the FBC boldly entered the advertising market and challenged its well established competitors at existing market rates.
24. The FBC was confident about its superior product, coverage and quality which quickly led to the FBC gaining Fiji's majority broadcast market share with over 73% exclusive TV viewership and the number one radio station in the country as per the most recent international survey organizations results.
25. Accordingly, as per financial projections done in 2010/11 the FBC started making substantial profits again in 2016 and has been successfully continuing this trend for the last five years.
26. This was remarkably achieved despite competing for advertising dollars against well-established newspapers, TV and radio stations, Telcos, social media platforms, magazines, cinemas and billboard advertising companies.
27. This amazing result attributed to the CEO, management and dynamic team at the FBC was achieved despite the FBC being part of one of the toughest and most competitive industry's in Fiji.
28. In its short history since 2011, FBC TV has produced and is in the process of producing 51 unique and trailblazing local programs with an emphasis to encourage and inspire all Fijians and to create an atmosphere of national pride in our country.
29. The FBC is the only media organization that has nine formal MOU's with reputable international media organizations.
30. The FBC is the only media organization to have developed its own in-house mobile App that provides video, breaking news and live radio services across all its six stations for free to any one in the world.
31. The FBC for the last five years has spent around \$80-thousand annually to train an average of around 50 staff every year.
32. FBC Sports is the only free-to-air 24 hour TV sports channel in the region.
33. Staff bonuses which are linked to the FBC's performance management system are assessed by the management and endorsed by the board.
34. Both staff and company performance bonuses have been consistently approved by the FBC board since 2016 as per FBC's Performance Management Policy.
35. The bonus for the company's CFO and CEO area assessed by the board as per their respective KPI's.
36. This is then sent to the ministry for assessment against their contractual benefits and obligations, after which it is sent to the Prime Minister's office for approval.
37. The FBC is the only media company to have won a Fiji Business Excellence Award.
38. The FBC is the only media organization to have started paternity leave on its own volition and offers medical insurance to all its staff including a significant number of other benefits.
39. The FBC is an employer of choice and has the best working conditions and salary structure in the media industry.
40. The FBC has won numerous international radio and TV awards and has been recognized globally for its work in nation building which is attributed to the FBC's modern and inclusive culture and values.
41. To date the FBC has never defaulted on its monthly loan repayments. In fact it has paid more than what was required and is on track to completely pay off the loan by the end of June 2021- three years before the end of the loan term.
42. All this information has been repeatedly elaborated upon by the FBC to members of the Public Accounts Committee and the Parliamentary Economic Committee over the last few years.
43. The FBC has answered every question posed to it when it appeared before these committees. Every member of the committee concluded that they clearly understood our position and explanation.
44. Members of the Opposition including Sodelpa leader Bill Gavoka, have been invited on numerous occasions by the FBC CEO to visit the FBC and learn about the FBC's operations.
45. To date no member of the Opposition has accepted our invitation to learn the truth.

We the board of the FBC believe that with the information available in this notice it's now crucial for those who use social media, parliamentary privilege and even some in the mainstream media who deliberately understate and undermine the FBC's amazing growth and achievements over the last decade, to immediately cease to malign Fiji's national broadcaster.

These individuals and groups are firmly being put on notice that the FBC will not hesitate to seek legal redress, as its done in recent times, against those that continue to misinform, misguide, mislead, misrepresent or fabricate negative narratives about the FBC.

The CEO, management and staff of the FBC have sacrificed way too much and have worked way too hard to build the FBC into an incredibly successful national broadcaster that has also built a formidable reputation internationally as well.

We will not allow anyone to insult and extinguish the effort and resolve of team FBC.

**FBC Board Chair**  
Mr. Sashi S. Singh