



2020–2021 Minerals Yearbook

FIJI [ADVANCE RELEASE]

THE MINERAL INDUSTRY OF FIJI

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Note: In this chapter, information for 2020 is followed by information for 2021.

The Republic of Fiji, an island country in the South Pacific Ocean, is composed of more than 300 islands on the Ring of Fire, a zone of frequent earthquakes and volcanic eruptions where the Pacific Plate meets many surrounding tectonic plates. The country's real gross domestic product (GDP) decreased by 15.2% in 2020 compared with a 0.4% decrease in 2019; the significant GDP decline in 2020 was due to the coronavirus disease 2019 (COVID-19) pandemic, which negatively affected the tourism industry. The nominal GDP was about \$4.57 billion in 2020 (Reserve Bank of Fiji, 2021a, p. 1; World Bank, The, 2022).

The country is not a globally significant mineral producer. The mineral industry was of minor importance to Fiji's economy, representing less than 1% of the country's GDP in recent years. In 2019 (the latest year for which data were available), the mining and quarrying sector employed 2,440 people (an increase from 2,055 in 2018) and represented 1.4% of the total employment in the country (Fiji Bureau of Statistics, 2022a, p. 2; 2022b).

The legislative framework for the mineral sector is provided by the Mining Act, the Oil and Petroleum Act, the Quarry Act, the Surveyors Act, the Land Use Decree 2010 and Land Use Regulations, and the Environment Management Act. The Ministry of Lands and Mineral Resources manages all public land initiatives related to the country's mineral and groundwater resources. The Mineral Resources Department under the Ministry of Lands and Mineral Resources develops mining policies, provides geologic information, and facilitates the exploration for and the development of mineral and petroleum resources (Ministry of Lands and Mineral Resources, 2022).

Data on mineral production are in table 1. In 2020, the mine output of gold and silver decreased to 1,090 kilograms (kg) (or by 1%) and 479 kg (or by 31%), respectively. The decrease was due to supply chain disruptions related to the COVID-19 pandemic and to power constraints at the Vatukoula Mine, which was Fiji's only active gold-silver mine. Nonetheless, gold exports increased to \$65 million in 2020 from \$50 million (FJD109 million¹) in 2019, accounting for 12% of the total exports of goods. The increase resulted from the higher global gold price in 2020, which increased by 27% to \$1,774 per troy ounce (about \$57,000 per kilogram) from that in 2019. Cement production decreased to 97,000 metric tons (t) from 128,000 t in 2019 and 143,000 t in 2018 owing to weak demand in the construction sector (Reserve Bank of Fiji, 2021a, p. 9–10; 2021b, p. A76; Sheaffer, 2022). Table 2 is a list of major mineral industry facilities.

¹Where necessary, values have been converted from Fiji dollars (FJD) to U.S. dollars (US\$) at the annual average exchange rates of FJD2.16=US\$1.00 for 2019, FJD2.17=US\$1.00 for 2020, and FJD2.07=US\$1.00 for 2021.

Commodity Review

Metals

Gold.—Lion One Metals Ltd. of Canada owned the Tuvatu gold project, which is located 24 kilometers (km) northeast of Nadi on the island of Viti Levu and 50 km south of the Vatukoula Mine. In 2020, Lion One Metals updated a technical report and preliminary economic assessment for the project. The indicated resources of the Tuvatu project were estimated to be about 1.0 million metric tons (Mt) at a grade of 8.5 grams per metric ton (g/t) gold, and the inferred resources were 1.3 Mt at a grade of 9.0 g/t gold. Preproduction capital costs, including construction, installation, and indirect expenditure, were projected to be about \$66.8 million. The project, once in production, was expected to extract about 2,400 kg of gold annually during a mine life of 5 years (Tetra Tech Canada Inc., 2020, p. 1-2, 1-7, 21-1, 22-5).

MINERAL INDUSTRY HIGHLIGHTS IN 2021

Fiji's real GDP decreased by 4.1% in 2021; the nominal GDP was about \$4.59 billion. The decline in the GDP was due to the effects of the ongoing COVID-19 pandemic. In 2021, production of mined silver decreased by 25%, whereas production of mined gold and cement remained at about the same level as in 2020 (table 1; Reserve Bank of Fiji, 2022, p. 1; World Bank, The, 2022).

In 2021, the Government of Fiji issued a price control order for cement—the Fijian Competition and Consumer Commission (Control of Prices for the Supply of Cement Products) Order 2021, which went into effect on June 22, 2021. Section 39 of the Fijian Competition and Consumer Commission Act 2010 enabled the Government to control prices for the ex-factory, wholesale, and retail supply of cement products in all qualities, quantities, grades, and classes. In October, the maximum ex-factory wholesale prices per metric ton were set for Pacific Cement Pte Ltd. (PCL) and Tengy Cement (Fiji) Co. Ltd. (TCFL) of China: 346.4 Fiji dollars (FJD; about \$167) and FJD309.7 for general blended bag cement and FJD322.6 and FJD290.8 for general purpose bulk cement, respectively. PCL had a cement production capacity of 215,000 metric tons per year (t/yr), and TCFL's cement production capacity was 105,000 t/yr (table 2; Fijian Competition and Consumer Commission, 2021a–c).

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TABLE 1
FIJI: PRODUCTION OF MINERAL COMMODITIES¹

(Metric tons, gross weight, unless otherwise specified)

Commodity ²		2017	2018	2019	2020	2021
METALS						
Bauxite		60,000 °	60,000 °	--	--	--
Gold, mine, Au content	kilograms	1,425	1,281	1,106 †	1,090	1,107
Silver, mine, Ag content	do.	350	413	692 †	479	360
INDUSTRIAL MINERALS						
Cement, hydraulic	thousand metric tons	141	143	128 †	97	100 °

°Estimated. †Revised. do. Ditto. -- Zero.

¹Table includes data available through August 2, 2022. All data are reported unless otherwise noted. Estimated data are rounded to no more than three significant digits.

²In addition to the commodities listed, crushed and dimension stone, coral sand, marble, and other construction materials may have been produced, but available information was inadequate to make reliable estimates of output.

TABLE 2
FIJI: STRUCTURE OF THE MINERAL INDUSTRY IN 2021

(Thousand metric tons unless otherwise specified)

Commodity		Major operating companies and major equity owners	Location of main facilities	Annual capacity ^c
Bauxite		XINFA Aurum Explorations Ltd.	Nawailevu Mine, ¹ Lekutu, Bua Province	400
Cement		Pacific Cement Pte Ltd. (PCL) (Fijian Holding Ltd., 50.3%; Vinod Patel Group, 47%; others, 2.7%)	Grinding plant in Lami, Rewa Province	215
Do.		Tengy Cement (Fiji) Co. Ltd.	Tengy Cement Factory (grinding plant), Lami, Rewa Province	105
Gold, mine, Au content	kilograms	Vatukoula Gold Mines plc. (Zhongrun International Mining Co. Ltd., 66%, and others, 34%)	Vatukoula Mine, Ba Province	2,000
Silver, mine, Ag content	do.	do.	do.	700
Stone, crushed		Flame Tree Developments (Fiji) Ltd.	Saru Quarry, Lautoka, Ba Province	NA
Do.		do.	Waimanu Quarry, Rewa Province	NA

^cEstimated. Do., do. Ditto. NA Not available.

¹Closed permanently in March 2018, and the company began rehabilitation of the mine site.