



LAUNCH OF SUBSIDY SCHEME TO BOOST E-COMMERCE

The Reserve Bank of Fiji (RBF), in collaboration with the Fijian Government and Vodafone Fiji Limited today signed a Memorandum of Agreement to mark the launch of the VitiKart Subsidy Scheme. The new initiative will assist Micro, Small and Medium Enterprises (MSMEs) to list and sell their products online at a subsidised cost.

As announced during the 2021-2022 National Budget Address, the \$1.15 million facility provides an affordable option for businesses to engage in e-commerce through an existing online platform without investing in costly infrastructure. The Scheme will wholly-subsidise the monthly subscription fees of eligible MSMEs registered on VitiKart between the period 01 August 2021 and 31 July 2023, for a period of two years.

During the signing ceremony, the Minister for Economy, Honourable Aiyaz Sayed-Khaiyum, thanked Vodafone and RBF for partnering on this facility and recognising the need to bring the business community and all Fijians into the digital space, thus contributing towards sustaining Fiji's economy by creating jobs and supporting livelihoods. The Minister added that "this initiative forms part of an overall holistic approach to support MSMEs and enable them to market and sell their products online. Currently, the ability to access payment gateways through traditional banks is expensive for MSMEs and therefore, VitiKart offers a viable and cost-effective alternative." The Minister called on small businesses to sign-up on the VitiKart platform and encourage their peers to take advantage of this opportunity which comes at no upfront cost.

While launching the Scheme RBF Governor, Mr Ariff Ali, emphasised the importance of Fiji's MSME sector in providing jobs and income to Fijians in the current COVID environment. He mentioned that: "Leveraging e-commerce marketplaces such as VitiKart provides a timely opportunity for MSMEs to continue operating their businesses safely and sustainably while eliminating the need to invest in websites and dedicated online payment gateways for validating payments." Governor Ali added that the Scheme supplements other measures put in place by the RBF to assist MSMEs to access finance to support their businesses and aligns with ongoing efforts to encourage digital payments through the National Payment System reform project.

The Regional Chief Executive Officer of Vodafone, Mr Pradeep Lal welcomed the collaboration with the RBF and the Government and stated that "Vodafone Fiji is fully supportive of this initiative to assist any business that wishes to take its business online through the VitiKart e-commerce platform. With this partnership, there is a unique opportunity for businesses in Fiji to transition into becoming an online merchant." Mr Lal added that VitiKart offers a ready-built fully fledged and integrated e-commerce platform that allows businesses to sign up as a merchant and begin trading in a matter of weeks without needing to invest in any digital trading platform or payment system.

More information on the Scheme may be obtained from the RBF Financial System Development Unit via email supportfsd@rbf.gov.fj or from Vodafone directly.

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