

Fiji Rural Electrification Fund – Constitution/Trust Deed

1. Name

The name of the Charitable Trust shall be the Fiji Rural Electrification Fund (herein referred to as the 'Fund')

2. Purpose

The main purpose of the Fund is to provide electricity to rural communities and households in Fiji. The Fund is a non-profit and charitable organization aiming to facilitate investments in renewable energy-based power generation in Fiji, which shall support the socio-economic development of the country, enable the use of renewable energy resources, and reduce greenhouse gas emissions in Fiji.

3. Objectives:

The objectives of the Fund are to:

- (a) Provide electricity to rural communities and households in Fiji;
- (b) Manage and operate a fund supported in part by charitable donations that shall focus on providing renewable energy to off-grid rural communities by the following means:
 - (i) Engaging with rural communities to educate them on the potential for renewable energy in such communities;
 - (ii) Overseeing the training of local communities on the use of such renewable energy systems;
 - (iii) For such communities who voluntarily agree to participate in a program for electricity services subject to a rate for services to be established by National Energy Regulator as per the Fiji Electricity Act 2017, underwriting the initial capital cost of designing, engineering, constructing, installing, operating and maintaining renewable energy systems;
 - (iv) Overseeing revenue collection for such electricity services;
 - (v) Overseeing ongoing operations and maintenance of such renewable energy systems; and
 - (vi) Utilizing the funds received to maintain the services for existing communities and expand the benefits of the program to additional communities.
- (c) Reduce greenhouse gas emissions from Fiji's energy sector by focusing on the use of affordable, reliable and renewable energy resources for off-grid power generation and just transition in Fiji;

- (d) Establish and support the functioning of a Fiji Rural Electrification Fund Unit within the Ministry responsible for energy to assist in the implementation of the Fund objectives.
- (e) Cooperate with other charities, voluntary bodies and statutory authorities operating in furtherance of the objectives of the Fund;
- (f) Raise funds and to invite and receive contributions in furtherance of the objectives of the Fund and shall at all times ensure that all fundraising activities conform to any relevant requirements of the laws of Fiji including the Charitable Trust Act 1945; and
- (g) Do all such other lawful things as are incidental or conducive to the attainment of the above objectives or any of them.

4. Principles

The Principles of the Fund are to:

- (a) Be apolitical, unbiased and unprejudiced;
- (b) Use the best available scientific information to address issues and critically evaluate all its endeavors;
- (c) Seek dialogue and avoid unnecessary confrontation;
- (d) Involve local communities and indigenous peoples in the planning and execution of its field programmes, respecting their cultural as well as economic needs;
- (e) Strive to build partnership with other organisations, governments, business and local communities to enhance its effectiveness;
- (f) Do not contradict or compete with current or planned national grids; and
- (g) Run its operation in a cost effective manner and apply donor's funds according to the highest standards of accountability.

5. Board of Trustees

- (a) the business and affairs of the Fund shall be managed by or under the direction of the Fiji Rural Electrification Fund Board of Trustees of the Fund (the Board of Trustees or the Board) consisting of three or more persons appointed as Trustees as provided below (each, a Trustee). The Board of Trustees shall have, and is hereby granted, the full and complete power, authority and discretion to do all things and on such terms as it determines to be necessary or appropriate to conduct the affairs of the Fund and to exercise all powers and make the purposes set forth in this Constitution/Trust Deed.
- (b) All property of Fund shall deem to be vested in the Board of Trustees, but the administrative responsibility shall lie with the Advisory Committee of the Fund.

- (c) The Trustees shall be entrusted with ensuring that the property of Fund is being reasonably applied for the furtherance of the Fund's goals and objectives.
- (d) No Trustee (acting in his or capacity as such shall have any authority to bind the Fund to any third party with respect to any matter, except pursuant to a resolution expressly authorizing such action which resolution is duly adopted by the Board of Trustees by the affirmative vote required for such matter pursuant to the terms of this Constitution/Trust Deed.
- (e) The Board of Trustees shall have the power to propose or amend the Constitution with legal advice from the Office of the Solicitor General and due communication with the Registrar of Titles.
- (f) The Board shall consist of at least four (4) persons of good repute and standing whom, upon incorporation as a Charitable Trust, shall have perpetual succession and a common seal and which, subject to this Constitution/Trust Deed, may do and suffer to be done all that corporate bodies may do and suffer to be done. The Trustees of Fund shall be:
 - 1. the permanent secretary responsible for energy;
 - 2. the permanent secretary responsible for rural and maritime development;
 - 3. the permanent secretary responsible for iTaukei affairs;
 - 4. permanent secretary responsible for women, children and poverty alleviation;
 - 5. Permanent Secretary responsible for finance;
 - 6. Permanent Secretary responsible for Environment and Climate Change;
 - 7. Solicitor General; and
 - 8. the director responsible for energy (non-voting member).
- (g) Any such resignation or removal shall take effect at the time specified therein, or if the time when it is to become effective has not been specified therein, then such resignation shall take effect immediately upon receipt by the Chairperson of the Board of Trustees of the written notice of resignation. Unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.
- (h) The permanent secretary responsible for energy will take on the role of Chairperson of the Board of Trustees and shall delegate this responsibility to one

of the Board of Trustees in his absence. The Board of Trustees shall decide to appoint a Deputy Chairperson as it deems necessary.

- (i) the Board of Trustees shall meet at least quarterly for the purposes of considering for approval the proposed Quarterly Budget and Work Plan (as defined in paragraph 8(a)(i) below) for the forthcoming quarter, as presented by the Advisory Committee, and otherwise as and when they deem it necessary and shall adopt their own working procedures at the discretion of the chairperson. The Quarterly meeting of Board of Trustees shall be held no later than 15 days after the end of each quarter or soon thereafter as possible at such a place to be determined by the Board of Trustees, and shall be attended by the Trustees, and any other invited guests of the Board. Any invited guests attending any Board meeting shall be non-voting observers.
- (j) The Board of Trustees may at any time summon a special general meeting of the Board. Notice of such meeting and the business to be transacted thereat, shall be advised via e-mail to the Trustees or via any communication forum most likely to reach all Trustees at least 7 days or as appropriate prior to the convening of such meeting.
- (k) Except as may be otherwise provided by law, at any meeting of the Board of Trustees, the presence of a majority of the Trustees, at least 4 of the 7 voting Trustees, entitled to vote on the matter to be presented shall constitute a quorum for the transaction of business. A quorum shall include persons who are present via electronic simulcast, webcam, video link, telephone or other means, as long as the persons indicate their names, and remain for the duration of the meeting or so much of the meeting as the chair determines. If a quorum is not present at any meeting of the Board of Trustees, the Trustees present may adjourn the meeting from time to time, without notice other than announcement at the meeting, until a quorum is present. Each Trustee shall have one vote. The act of a majority of the Trustees at any meeting at which there is a quorum shall be the act of the Board of Trustees.
- (l) All contracts of the Fund shall be in writing and shall be entered into by the Board of Trustees under the common seal, attested by the trustees any three of the trustees and all other contracts may be made in writing, signed by any person in the name and on behalf of the Board of Trustees acting under a resolution in writing passed at a meeting of the Board of Trustees, in accordance with the Charitable Trusts Act 1945.

- (m) The FREF Unit under the Department of Energy shall be the secretariat of the Board of Trustees.

6. Advisory Committee

- (a) The Board of Trustees shall establish an Advisory Committee, which shall provide advice and recommendations to the Board of Trustees with respect to the Quarterly Budget and Work plan as well as such other matters as the Board of Trustees may request, from time to time, concerning the operations of the Fund that include, but not limited to, the following:
- (i) Quarterly Budget and Work Plan – The Advisory Committee shall assist in the preparation of a Quarterly Budget and Work Plan, which shall detail the anticipated costs and work to be undertaken by the Fund in the forthcoming quarter. The Quarterly Budget and Work Plan shall include but not be limited to the following items:
- A detailed itemization of anticipated new capital expenditures and any material operating and maintenance expenditures in the forthcoming quarter;
 - Any outstanding debts owed by the fund from the prior quarter coming due in the forthcoming quarter;
 - An identification of the potential communities to be energized and a proposed schedule for community engagement and construction;
 - An assessment of the performance of the Fund against the prior quarter's Quarterly Budget and Work Plan; and
 - an identification of any concerns or issues related to the performance of the Fund.
- (b) The Board of Trustees shall appoint the members of the Advisory Committee, which initially shall consist of Director level or designated senior representatives of the following entities and any other members, as it deems appropriate from time to time:
1. the director responsible for energy;
 2. the director responsible for rural and maritime development;
 3. the director responsible for iTaukei affairs;
 4. the director responsible for climate change;
 5. the director responsible for women, children and poverty alleviation;

6. representatives of donors providing funds in upwards of FJ \$1,000,000 (in an advisory capacity); the director responsible for transport.
- (c) The director responsible for energy will take on the role of chairperson of the Advisory Committee and shall delegate this responsibility to one of the Advisory Committee members in his absence. The Advisory Committee chairperson will be present in every Board of Trustees meeting as a non-voting member as a conduit between the Board of Trustees and the Advisory Committee.
- (d) Each member shall serve for the term appointed or until death, resignation, retirement or removal, with or without cause, as determined by the Board of Trustees. Any member may be removed by the Board of Trustees whenever in its judgment it is in the best interest of the Fund. The members of the Advisory Committee shall endeavor to work cooperatively to provide consensus-based recommendations to the Board of Trustees. If consensus is not achieved in connection with any issues, each Advisory Committee member shall set forth their individual recommendation along with their rationale for same, to be considered by the Board of Trustees, as applicable.
- (e) Any member of the Advisory Committee may attend, at the request of the Board of Trustees, as applicable, all or a portion of one or more meetings of the Board of Trustees, as applicable, and no member of the Advisory Committee shall be considered in determining whether a quorum of the Board of Trustees is present. Members of the Advisory Committee shall serve only as advisers to the Board of Trustees, and as such shall not be entitled or permitted to vote on any matter presented to the Board of Trustees or to bind the Fund in any manner.
- (f) No member of the Advisory Committee will, by virtue of its role as an Advisory Committee member, be deemed a member of the Fund, or Board of Trustees, nor to have any responsibility or to be subject to any liability imposed upon a member, Officer or Trustee or in any manner otherwise deemed an Advisory Committee Officer or Trustee.

7. Roles and Responsibilities of the Advisory Committee Chairperson

- a) the Advisory Committee chairperson is responsible for:
1. ensuring that the Advisory Committee provides coordination, advice and support to the Board of Trustees to make informed decisions;
 2. conduct advisory committee quarterly meetings at least 3 weeks before the quarterly meeting of the Board of Trustees;
 3. act as a liaison for stakeholders and partners interested in the support of the Fund; and
 4. oversee the daily operations of the Fiji Rural Electrification Fund Unit within the Ministry responsible for energy and ensure the cost effective usage of funds in the Fiji Rural Electrification Fund Trust Account.

8. Establishment of the Fiji Rural Electrification Fund Unit

The Board of Trustees, with endorsement of the FREF Chairperson's capacity as the Permanent Secretary responsible for energy, will establish and support the functioning of a Fiji Rural Electrification Fund Unit within the Ministry responsible for energy to assist in the implementation of the Fund objectives.

9. Roles and Responsibilities of the Fiji Rural Electrification Fund Unit

- a) The Fiji Rural Electrification Fund Unit will be managed by a Manager, whose appointment will be facilitated by the Department of Energy and endorsed by the Board of Trustees on the basis of public competitive selection. The Manager will be responsible for the daily management of the Fiji Rural Electrification Fund Unit and will report directly to the Director of the Department of Energy. The specific functions of the Manager will be defined in the employment contract signed with the Ministry responsible for energy under which the Fiji Rural Electrification Fund is domiciled.
- b) The Board of Trustees shall ensure that sufficient proportion of annual expenditure from the Fiji Rural Electrification Fund Trust Fund is allocated for the operational expenditure of the Fiji Rural Electrification Fund Unit which will entail remuneration for a Manager and an Accounts Officer. Further staffing needs shall be approved by the Board of Trustees as needed in the most cost-effective manner.
- c) The Fiji Rural Electrification Fund Unit will have the following functions:

- i. To generate and provide information to communities, investors, consultants, and financial institutions on:
 - Costs and benefits of rural electrification and new and renewable energy projects for rural development;
 - Potential investment opportunities as a result of electricity access in rural areas; and
 - the terms and procedures of technical and financial support programs that the Fiji Rural Electrification Fund offers.
 - ii. To evaluate and approve applications for FREF funding support to rural electrification and new renewable energy rural projects and disclose, inter alia, the names of the approved projects, a brief description of the approved projects, the names of the grant beneficiaries, and the amount of each grant approved.
 - iii. To undertake planning and project preparation activities needed to keep up the momentum of the Fiji Government's rural electrification priorities.
 - iv. To monitor and evaluate the performance of supported programs and projects and maintain a national rural electrification database on rural electrification projects in Fiji;
 - v. To oversee strategic partnerships with delivery agencies to expedite the impact targets of the Fiji Rural Electrification Fund.
 - vi. To carry out any other functions as the Board shall direct it to carry out.
- d) To avoid conflicts of interest, all employees of the Fiji Rural Electrification Fund Unit, including their spouses and children will not be permitted to hold any official, advisory or consulting role with, own stocks or bonds of, or have any economic interest in the beneficiaries of the Fiji Rural Electrification Fund support to communities. Furthermore, all employees of the Fiji Rural Electrification Fund Unit will be prohibited to accept, any gift or gratuity, different from that generally applicable to the public, from FREF beneficiaries.

10. Annual General Meeting

- a) the Annual General meeting of the Fund shall be held no later than 6 months after the end of each financial year or soon thereafter as possible at such a place to be determined by the Board of Trustees.
- b) At least fourteen (14) days written notification of each Annual General Meeting specifying the venue, day and hour of the meeting shall be given to all Board of Trustee members.

- c) The current Chairperson of the Board of Trustees shall chair the Annual General Meeting.
- d) The Annual General Meeting shall carry out the following business items;
 - i. receive the proceedings of the previous Annual General meeting and of any other Special General meeting held since the last Annual General Meeting.
 - ii. receive the Advisory Committee report on the activities of the fund over the last year and the proposed priorities and directions for the Fund in the current year.
 - iii. appoint an auditor of the Fund's accounts.
 - iv. conduct any other business, which may be brought before the meeting.
 - v. all questions shall if possible be decided by consensus. However, where a consensus decision cannot be reached on a matter, the decision will, unless otherwise specified in this constitution, be made on a majority vote.
 - vi. each Board of Trustee member, shall have one vote which may be exercised personally or by proxy. The Chairperson shall have the casting vote.
 - vii. voting shall be by show of hands unless members indicate an alternative preference. If any member requests a secret ballot on any vote or election, a secret ballot shall be held.

11. Special General meeting

- a) The Board of Trustees may at any time summon a special general meeting.
- b) Notice of such meeting and the business to be transacted thereat, shall be advised via email to Board of Trustee members or via any communication forum most likely to reach all such members at least 7 days or as appropriate prior to the convening of such meeting.

12. Finances and Accounts

- a) The Board of Trustees shall cause the accounts to be kept;
 - i. Of the sum of money received and expended by the fund and the matters in respect of which such receipts and expenditure take place;
 - ii. Of the assets and liabilities of the Fund; the Books of Accounts shall be kept at the Registered Office of the fund or at such place or places as the Board of

Trustees think fit and shall always be open to the inspection, upon reasonable notice; and

- iii. A Balance Sheet shall be made out at the end of each quarter corresponding to performance against the prior quarter's quarterly Budget and work Plan, and laid before the Board of Trustees in their quarterly meeting, and a copy thereof shall fourteen days previously to the meeting, be sent to the persons entitled to receive notice of the quarterly meeting in the manner in which notices are to be given. At the Annual General Meeting, a consolidated Balance Sheet for the prior four quarters shall be laid before the Board of Trustees in accordance with the same procedures.
- b) Auditors may be appointed for the Fund during the Annual General meeting in consultation with the Board of Trustees.
- c) The auditor or auditors shall, not less than three weeks before the Annual General meeting each year, audit and report upon all accounts and books of the Fund, and shall at any other time if and when required by the officers, audit and report upon any of such accounts and books.
- d) The Fiji Rural Electrification Fund Trust Fund and its corresponding bank account will be managed by the Fiji Rural Electrification Fund Unit based with the Department of Energy domiciled in the Ministry responsible for energy under immediate oversight of the Director of Energy in accordance with FREF Operations and Finance Manual.
 - I. The Fiji Rural Electrification Fund Unit shall maintain a bank account of all funding of the Fund in the name of the Fiji Rural Electrification Fund and such a bank account shall be operated jointly by the Board of Trustees and such funding shall be kept at the bank, as the Board of Trustees shall determine.
 - II. The Director for Energy shall be eligible to co-approve expenditures from the Fiji Rural Electrification Fund Trust Fund, with co-approval from the Chairperson of the Board of Trustees, for expenditures of FJ \$5,000 or less once every quarter of the year.
 - III. The Fiji Rural Electrification Fund Unit shall establish and maintain a financial management and procurement system, including records and accounts, and prepare financial statements in accordance with international accounting standards to adequately reflect the operations, resources and expenditures related to the Fiji Rural Electrification Fund.
 - IV. The Fiji Rural Electrification Fund Unit will ensure that the funds from the Fiji

Rural Electrification Fund Trust Fund are used for intended purposes and procurement of goods, works and services under its rural electrification projects to be financed by the Trust Fund are performed, pursuant to the laws and regulations on procurement of the Government of Fiji, in accordance with economy and efficiency principles, and in a competitive and transparent manner.

- V. The Fiji Rural Electrification Fund shall adopt the financial and procurement management systems of the United Nations Development Programme from 1 January 2024 to 30 December 2028 as per the decision of the Government of Fiji to collaborate with the United Nations Development Programme to lead the implementation of all electrification works and resource mobilization efforts of Fiji Rural Electrification Fund.

13. Financial Arrangement

- a) The financial year for the fund shall be from 1 January in anyone year to 31 December of the same year.
- b) Two Trustees shall authorize all payments on behalf of the Fund. For payments up to FJ \$5,000, the Director for Energy, in the capacity of the Chairperson of the Advisory Committee, can be one of the two authorizers.
- c) The Fund shall be guided by an Operations and Financial manual which shall include all financial operating processes according to the standard accounting for Fiji, and representing international best practices in light of the nature of reporting that may be required of the Fund in connection with international donations received by the fund.
- d) The Advisory Committee shall develop a policy for approval by the Board of Trustees concerning any investments.
- e) The Chairperson shall ensure that true and fair accounts are kept of all money received and experienced.

14. Common Seal

- a) The Common Seal of the Fund shall be kept in the custody and control of the Chairperson or a proxy.
- b) When required, the Common Seal shall be affixed to any document following a resolution of the Fund and shall be signed by the Chairperson.

15. Indemnity

- a) No Trustee or member of the Advisory Committee shall be liable for the acts of defaults of any other Trustee or other member of the Advisory Committee or any loss occasioned thereby, unless occasioned by their willful default or by their willful acquiescence.
- b) Each of the Trustees and members of the Advisory Committee shall be indemnified by the Fund for all liabilities and costs incurred by him or her in the proper performance of the functions and duties, other than because of his or her willful default.

16. Mediation

- a) Any dispute arising out of or relating to this Constitution may be referred to mediation, a non-binding dispute resolution process in which an independent mediator facilitates negotiation between parties. Mediation may be initiated by either party writing to the other party or identifying the dispute, which is being suggested for mediation. The other party shall either agree to proceed with mediation or agree to attend a preliminary meeting with the mediator to discuss whether mediation would be helpful in the circumstances.
- b) The parties shall agree on a suitable person to act as mediator.
- c) The mediation shall be terminated by the Chairperson following:
 - i. The signing of a settlement agreement by the parties;
 - ii. Notice to the parties by the mediator, after consultation with the parties, to the effect that further efforts at mediation are no longer justified.
 - iii. Notice by one or more of the parties to the mediation to the effect that further efforts at mediation are no longer justified; or
 - iv. The expiry of sixty (6) working days from the mediator's appointment, unless the parties expressly consent to an extension of this period.

17. Winding Up

The Fund shall be wound up if:

- a. Notice of proposed dissolution of the Fund is supported by the signatures of all Trustees and with the consent of the Minister responsible for energy, and ratified at a Special General Meeting;
- b. In case of dissolution, individual Trustees or members of the Advisory Committee shall have no right to the assets of the Fund. Assets shall be dealt with by the Board of Trustees in accordance with the Charitable Trusts Acts 1945 for purposes similar to those of the of the Fund.

18. **Execution**

Signed by the **Permanent Secretary responsible for Energy.**


Signature of the Permanent Secretary

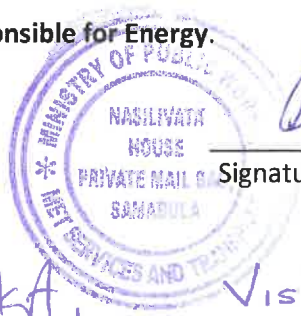
PAULA BALEILEVUKA.

Name of the Permanent Secretary (print)


Signature of Witness

Vishal Prasad

Name of Witness



Signed by the **Permanent Secretary responsible for Finance**


Signature of the Permanent Secretary

Shini Gounder

Name of the Permanent Secretary (print)


Signature of Witness

Poonam Singh

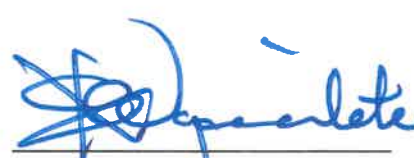
Name of Witness

Signed by the **Solicitor-General.**


Signature of the Solicitor-General

Donara Green.

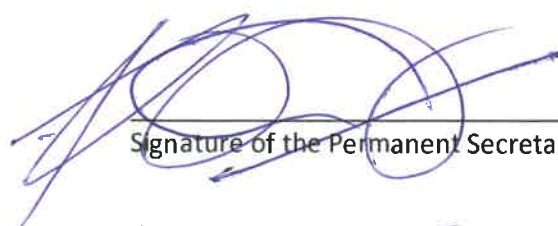
Name of the Solicitor-General (print)


Signature of Witness


Name of Witness

Savandira Waggishete

Signed by the **Permanent Secretary responsible for Rural and Maritime Development and Disaster Management.**


Signature of the Permanent Secretary

SOKO TUIYAMA

Name of the Permanent Secretary (print)


Signature of Witness

SOKO TUIYAMA

Name of Witness

Signed by the **Permanent Secretary responsible for iTaukei Affairs.**

Pita Teyekumu
Signature of the Permanent Secretary



[Signature]
Signature of Witness

PITA TEYEKUMU
Name of the Permanent Secretary (print)

Sovanatabua Nagatakeni
Name of Witness

Signed by the **Permanent Secretary responsible for Women, Children and Social Protection.**

Seema Sharma
Signature of the Permanent Secretary (Acting)

[Signature]
Signature of Witness

Seema Sharma
Name of the Permanent Secretary (print)

Emily Kamea
Name of Witness

Director Women
Ministry of Women
Children & Poverty
Elevation

Signed by the **Permanent Secretary responsible for Environment and Climate Change**

[Signature]
Signature of the Permanent Secretary

[Signature]
Signature of Witness

Dr. Sivendra Michael
Name of the Permanent Secretary (print)

Rameeth Dewan
Name of Witness