



# **Ministry of Fisheries and Forests**

# Department of Forestry Report

For the period 01st January - 31st July 2016



# REFERRAL LETTER FROM THE PERMANENT SECRETARY

Honourable Osea Naiqamu Minister for Forestry Level 3, Takayawa Building Toorak SUVA.

Dear Honourable Minister,

I am pleased to present to you the Annual Report of the then Department of Forestry for the period 1 January to 31 July 2016, for presentation to Parliament in accordance with the requirements of the Financial Management Act 2004.

The report details the Department's performance for the period and also includes the audited financial statement.

Yours Sincerely,

G. P. N. Baleinabuli

Permanent Secretary for Forestry (since 15 November 2018)

# 1. TABLE OF CONTENTS

1.	TABLE OF CONTENTS	3
2.	ACRONYM	4
3.	EXECUTIVE SUMMARY	5
4.	AGENCY OVERVIEW	6
	4.1. STRATEGIC PRIORITY AREAS 4.2. ORGANISATIONAL STRUCTURE	
<b>5</b> .	REPORT ON PERFORMANCE	9
	5.1. PORTFOLIO LEADERSHIP, POLICY ADVICE & SECRETARIAT SUPPORT  5.1.1. REVIEW OF AND DEVELOPMENT OF FOREST LEGISLATION & REGULATIONS 5.1.2. CABINET SUBMISSION 5.1.3. SPEECHES & PARLIAMENT RESPONSES 5.1.4. STAFF	9 9
	5.2. FOREST SECTOR DEVELOPMENT  5.2.1. FOREST RESOURCE BASE  5.2.2. FOREST PRODUCTION  5.1.5. BUDGET ALLOCATION AND EXPENDITURE  5.2.3. DOWNSTREAM PROCESSING  5.2.4. EXPORTS & IMPORTS	10 10 10
	5.3. GOVERNMENT SERVICES  5.3.1. FOREST LAW ENFORCEMENT: LICENSING, COMPLIANCE & MONITORING  5.3.2. FOREST MANAGEMENT: FOREST RESOURCE INFORMATION  5.3.3. EDUCATION AND TRAINING  5.3.4. RESEARCH AND DEVELOPMENT - Silviculture Research and Resource Assessment  5.3.5. UNDERTAKE RESEARCH & DEVELOPMENT ON FOREST COMMODITIES  5.3.6. EXTENSION AND ADVISORY SERVICES  5.3.7. FOREST PARKS, RECREATION AND RESERVES	13 14 18 20 33
C	ADDENDICEC	20

# 2. ACRONYM

ACIAR Australian Centre for International Agricultural Research

APFW Asia Pacific Forestry Week
CSOs Civil Society Organisations

CIFOR Centre for International Forestry Research

FCPF Forest Carbon Partnership Facility

FFHCOP Fiji Forest Harvesting Code of Practice

ITTO International Tropical Timber Organisation

MCS Monitoring, Control and Surveillance

MTA Ministry of iTaukei Affairs

MRV Measuring, Reporting, Verification

NFI National Forest Inventory

PSIP Public Sector Investment Program

PSP Permanent Sample Plots

RDF Reforestation of Degraded Forests

REDD Reducing Emissions from Deforestation and Forest Degradation

RL Right License

SEG Standard Expenditure Group

SMART Simple, Measurable, Achievable, Realistic and Timely

# 3. EXECUTIVE SUMMARY



I am honoured to present the then Department of Forestry's Annual Report for the period January to July 2016 – just before Government's financial year changed to start from August to July the following year. The Department of Forests was under the then Ministry of Fisheries and Forests. Both Departments produced separate Annual Reports.

The Year 2016 was one of the most challenging for Fiji as the Nation encountered the severest cyclone to make landfall in the Southern Hemisphere with Category 5 Tropical Cyclone Winston causing widespread damage accounting for about one third of Fiji's economy. This necessitated the re-deployment of funds for rehabilitation.

Notwithstanding the re-deployment of funds, the Department was able to achieve a number of significant outputs including but not limited to the successful conclusion of the coco-wood research project which was conducted in partnership with the Australian Centre for International Agricultural Research (ACIAR); the successful delivery of a wide range of forestry skills training for both forest-based companies and for the communities who depend on the forests as their source of livelihood; the distribution of portable sawmills to assist communally-owned pine schemes; and the continuation of applied research to help inform the work of the Department and Fiji's forest sector. The Department also progressed work on reducing emissions from deforestation and forest degradation (REDD+) – a project which is co-funded by Government and the World Bank through its Forest Carbon Fund Facility.

The work of the leadership and staff during the period under review are acknowledged with appreciation.

G. P. N. Baleinabuli

Permanent Secretary for Forestry (since 15 November 2018)

# 4. AGENCY OVERVIEW



# **VISION**

Our Future Generation will inherit a Prosperous and Enhanced Forestry Sector.



# **MISSION**

Improving Livelihood through SMART Policies on Sustainable Management of Forestry Resources.



# **ROLES & RESPONSIBILITIES**

The Department is responsible for the:

- Implementation of the Fiji Forest Policy 2007;
- Administration and enforce Forest Legislation;
- Conservation, sustainable utilisation and management of forest resources;
- Approval and issuance of forest related licenses;
- Provision of training, extension services and research; and
- Coordination with key stakeholders including forest



# **4.1 STRATEGIC PRIORITY AREAS**

Priority Outcomes as in the RDSSED, Government's Manifesto and the 2013 Constitution:

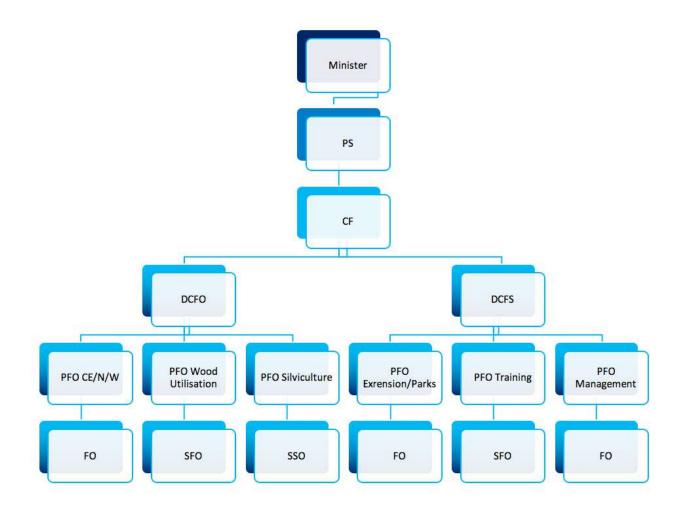
No.	Description
1	The Accountability Framework – Productive and Transparent, democratic and accountable
	institution
2	Public Sector Reform - Improved Public Sector efficiency, effectiveness and service delivery
3	Leader – Effective, enlightened and accountable leadership
4	Employment & The Labour Market – Fullest and most productive utilisation of human
	resources

The above key focus outcomes can be further translated into the table below:

In aligning the above to the Government's manifesto, the following key areas stood out:

- 1. Ensuring food security for the people of Fiji through various programs and activities that are implemented;
- 2. Greater collaboration and networking of all key stakeholders involved with research;
- 3. Protection of our biodiversity through the establishment of national parks and reserves;
- 4. Community Empowerment through provision of appropriate training for SME's and identification of alternative livelihood schemes;
- 5. Streamlining of systems and processes to better service the Fijians;
- 6. Empowerment of women to participate competitively in the market of forest products;
- 7. Enhancement of Department staff to provide efficient and effective service delivery;
- 8. Reducing climate change impact; and
- 9. Provision of affordable housing to Fijians through our Pine Maritime Project.

# **4.2 ORGANISATIONAL STRUCTURE**



# 5.1. PORTFOLIO LEADERSHIP, POLICY ADVICE & SECRETARIAT SUPPORT

### 5.1.1. REVIEW OF AND DEVELOPMENT OF FOREST LEGISLATION & REGULATIONS

The Forest Bill 2016 [Bill No. 13 of 2016], which is a review of the Forest Act 1992, was tabled in Parliament and also presented to the Natural Resource Standing Committee in 2016. The Bill is the outcome of several stakeholder consultations with the view of revising the 1992 Forest Act, as approved by Cabinet, to include recent developments within the Forest Sector in addition to supporting the full implementation of the Fiji Forest Policy 2007.

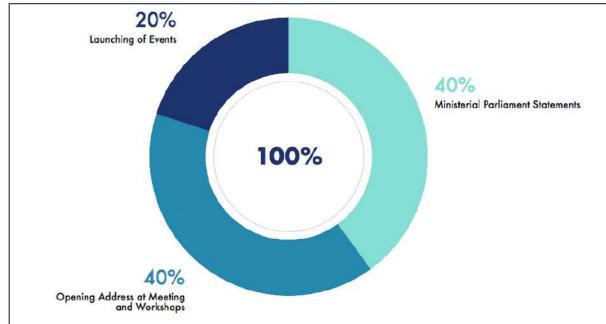
The Ministry also worked on reviewing two forestry regulations, the Preservative Treatment Regulation 1992 and the Forest Sawmills Regulation 1968, to ensure that they capture recent developments in the Sector.

### 5.1.2. CABINET SUBMISSION

One Cabinet Paper on Wood Biomass for Energy and Export was submitted during the 7-month period.

### 5.1.3. SPEECHES & PARLIAMENT RESPONSES

Five forest-related speeches were compiled and delivered by the Honourable Minister for Forestry and Fisheries at various events as highlighted in Graph 1 below.



Graph 1: Speeches delivered by the Hon. Minister

### 5.1.4. STAFF

The Department has a total of 234 staff of which 136 are established and 50 are wage earners. A total of 48 project staffs were also employed to ensure the timely delivery of project outputs.

# 5.1.5. BUDGET ALLOCATION AND EXPENDITURE

A total of \$26.2 million was initially allocated to the Ministry of Fisheries & Forests in 2016 for operational & capital expenditure, however due to the change in financial year reporting, the actual expenditure as of 31 July 2016 amounted to \$16.9 million.

# 5.2. FOREST SECTOR DEVELOPMENT

### 5.2.1. FOREST RESOURCE BASE

Table 1: Forest areas by Division

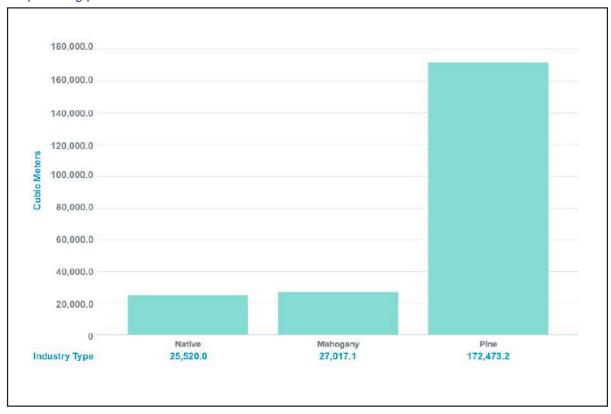
Division	Natural	Pine	Mahogany	Mangrove	TOTAL
DIVISION					Hectares
Northern	407,750	21,000	26,100	29,720	484,570
Central/Eastern	324,960	3,146	26,500	13,890	368,496
Western	247,610	62,230	15,100	16,700	341,640
Grand Total	980,320	86,376	67,700	60,310	1,194,706

Fiji has a total of 1.2 million hectares of forest area, of which natural (indigenous) forests comprises 82.1%, Pine comprises 7.2%, Mahogany comprises 5.7% and Mangrove comprises 5.0%. Northern division has the most forest areas covering 40.6% of total forest area, followed by Central/Eastern division with 30.8% and Western division with 28.6%.

# 5.2.2. FOREST PRODUCTION

National log production from January-July 2016 stood at 225,011 m³, of which Pine was 172,473.2 m³ (76.7%), Mahogany was 27,017.1 m³ (12.0%) and Native species was 25,520.8 m³ (11.3%).

Graph 2: Log production Jan-Jul 2016



#### 5.2.3. DOWNSTREAM PROCESSING

A total of 44 sawmill licenses were issued during January-July 2016. In Table 3 below, the Central/Eastern division showed that majority of the sawmills were non-operational during this period.

The Department facilitated the issuance of portable mill licenses as the demand for these machines increased due to the following reasons:

- Portable mills were used to rip lower grade Mahogany logs which were not processed by the static mills;
- The facilitation of setting up portable mills in communities was supported as it created employment for communities thus fulfilling the goal of creating employment opportunities and improving standard of living in the rural communities;
- A sudden rise in the number of portable mills in the country due to the aftermath of Tropical Cyclone Winston to salvage the damaged logs for rehabilitation;
- 2 portable mills were issued to Gau and Cicia to assist in the milling of matured pine to improve housing standard and on the other hand alleviating poverty level through the sale of sawn timber and creation of employment opportunities;
- A total of 6 Woodmizer LT 15's were donated by a US church group Mission 21 for rehabilitation purposes; and
- The Department bought 7 Lucas 8" 30Hp's and distributed them to severely affected areas to assist in the rehabilitation program.

#### 5.2.3.1. SAWMILLS IN FIJI

A total of 106 sawmills existed in Fiji during this period in which 31 (29.2%) were static sawmills while 75 (70.8%) were portable sawmills. 44 were licensed and 62 were unlicensed (non-operational).

Table 2: Summarised sawmill licensing status for Fiji

Type of license	No. of mills
Static licensed	20
Static unlicensed/non-operational	11
Sub-total	31
Portable licensed	24
Portable unlicensed/non-operational	51
Sub-total	75
Total sawmills in Fiji	106

Table 3: Sawmills in Fiji by Forestry Divisions

Type of	C€	entral	We	estern	Northern	
Type of license	Licensed	Unlicensed/ non- operational	Licensed	Unlicensed/ non- operational	Licensed	Unlicensed/ non- operational
Static mills	4	5	6	5	10	1
Portable mills	10	27	5	15	9	9
Total	14	32	11	20	19	10

# 5.2.3.2. SAWMILL PRODUCTION JAN-JUL 2016

The total log volume input for Jan-Jul 2016 was 45,526.68 m³ and the total sawn timber production was 23,452.27 m³. Thus the average sawmills recovery rate was 52% as detailed in the following table.

Table 4: Sawmill production per Division Jan-Jul 2016

Division	Input volume (m³)	Output volume (m³)	Recovery
Northern	22,952.67	11,481.32	50.02%
Central/ Eastern	10,940.55	6,056.63	55.36%
Western	11,633.46	5,914.32	50.84%
Total	45,526.68	23,452.27	Average: 52%

# 5.2.3.3. TIMBER TREATMENT PLANTS JAN- JUL 2016

Under the Forest (Preservative Treatment) Regulations 1996, only 16 treatment plants were licensed during this period while 7 plants were unlicensed (non-operational), in which 2 have closed down namely Global Import and Export in the Western division and Lumber Processors in Northern division. 3 new treatment plants Taiwan Timbers, Timber Utilisation Division and Narocake Pine Scheme have been installed this year which are located in Gau Island. The summary is shown in the table below.

Table 5: Timber Treatment Plants in Fiji by Forestry Divisions

Division	No. of licensed plants	No. of unlicensed plants (non-operational)	New	Total
Central/Eastern	6	2	2	10
Western	6	2		8
Northern	4	3	1	8
Total	16	7	3	26

# 5.2.4. EXPORTS & IMPORTS

# 5.2.4.1.EXPORTS

Total export value of forest products in the 7-month period totalled to \$38.6 million. The 2 major export commodities were pine chips and sawn timber which generated total export revenue of \$35.4 million and comprises 91.6% of total exports.

Table 6: Forestry exports by product type

Product type			Quantity	Value [FJD]
	M³	MT	KG	
Pine Chips		106,000		18,231,722.34
Sawn timber	103,601.100			17,136,671.87
Mahogany decking	608.096			1,148,151.68
Mahogany components	206.963			853,051.86
Plywood	241.017			552,439.69
Raintree slabs	310.595			459,844.47
Veneer	140			99,400
Mahogany crotches	29.790			50,405.87
Mahogany lining	24.465			47,199.36
Mahogany moulding	14.025			30,059.00
Mango sticks			2,695	16,936.25
Total	105,176.05	106,000	2,695	38,625,882.39

# 5.2.4.2. IMPORTS

Total import value of forest products in the 7-month period amounted to \$22.5 million. The major import commodity was sawn timber which stood at \$11.5 million and comprises 51% of total imports.

Table 7: Forestry imports by product type

Dun dun é éven	Qu	antity		Value (E ID)
Product type	M³	MT	KG	Value [FJD]
Sawn timber	14,987.450			11,479,077.28
Hardboard	2,225.794			1,800,412.16
Weather Board	1,875			1,432,146.02
Plywood	1,045.252			1,304,799.73
Cross Arm	324.920			1,102,845.78
Tongue & Groove	1,945.670			1,690,397.48
Decking	183.750			509,985.80
Poles	457.970			299,854.27
Form seal board	349.094			257,736.53
Wooden reels	156.175			194,682.95
MDF Board	155.250			147,392.50
Veneer	22.576			68,356.70
Others	3,219.009	255.43	110	2,224,308.89
Total	26,947.91	255.43	110	22,511,996.09

# 5.3. GOVERNMENT SERVICES

# 5.3.1. FOREST LAW ENFORCEMENT: LICENSING, COMPLIANCE & MONITORING

### 5.3.1.1. FOREST HARVESTING

# **Annual licenses**

Total annual logging licenses (right licenses) issued during this period was 319 of which 128 (40.1%) was issued from Central/Eastern Division, 64 (20.1%) from Western Division and 127 (39.8%) from the Northern Division.

New licenses issued was 120, of which 47 (39.2%) was issued from Central/Eastern Division, 22 (18.3%) was issued from Western Division and 51 (42.5%) was issued from Northern Division.

A total of 199 licenses were renewed of which 81 (40.7%) was from Central/Eastern Division, 42 (21.1%) from Western Division and 76 (38.2%) from Northern Division.

114 licenses were operational in Jan-Jul 2016.

Table 8: Right licenses issued by Division

Division	Total RL Issued	RL issued (new)	RL renewed	Operational licenses
Central/Eastern	128	47	81	34
Western	64	22	42	28
Northern	127	51	76	52
Total	319	120	199	114

### 5.3.1.2. TIMBER PROCESSING

44 sawmills were licensed to operate during this period with a total sawmill log intake capacity of 45,526.68 m³.

Out of the 26 treatment plants, 16 treatment plants were licensed to operate in the country during the 7-month period while others were unlicensed and 2 plants closed down.

A total of 20 kilns were visited during this period. Of these, 15 were operational, 1 was non-operational and 4 under re-construction.

Table 9: Kiln summary Jan-Jul 2016

Division	No.	No.	No. under	Total
	Operational	Non-operational	reconstruction	
Central/Eastern	6	0	1	7
Western	6	1	2	9
Northern	3	0	1	4
Total	15	1	4	20

# 5.3.1.3. MONITORING, COMPLIANCE AND SURVEILLANCE (MCS)

The Monitoring, Compliance and Surveillance (MCS) of Forest Harvesting Operations continued to be carried out by staff of the Forestry Training Centre and the MCS Project Officer in Jan-Jul 2016. Activities completed by the Department included awareness, training and monitoring of forest harvesting operations.

A Fiji Forest Harvesting Code of Practice (FFHCOP) Steering and Implementation Committee meeting was conducted in February 2016. This was followed by a field visit on harvesting areas in Dawasamu Pine Woodlot. The objectives of the Committee are to:

- Provide guidance on activities implemented by the harvesting monitoring, control and surveillance team;
- Audit the rate of compliance as collected at beat, divisional and national level;
- Submit necessary adjustment and national monitoring reports to the Forestry Board for endorsement.

The project also worked on facilitating 2 Memorandum of Understandings (MOUs) between the Ministry, the Ministry of Employment, Productivity and Industrial Relations (MEPIR); and the Land Transport Authority (LTA).

The MCS team also coordinated a Forest Harvesting Division meeting for the staff to review the 6 months performance and areas of improvement.

# 5.3.2. FOREST MANAGEMENT: FOREST RESOURCE INFORMATION

Responsible for the management of Forest Information System (FIS) and databank; management of natural forests through permanent sample plots, administration of mapping and surveys of forest boundaries and forest functions and services; and coordination and facilitation of forest international and regional conventions and agreements.

# 5.3.2.1. NATIONAL FOREST INVENTORY (NFI) 2007

The NFI Statistics Report was drafted using the findings from the 2007 NFI. A draft has been prepared and proper analysis is currently being done before the Report will be published in the next financial year for public use.

# **5.3.2.2. PERMANENT SAMPLE PLOTS**

This project has been ongoing since its inception in 2009 and has completed 4 out of the 7 activities based on its Public Sector Investment Program (PSIP). Two more activities are left to be carried out to achieve its objective which is to ascertain the annual allowable cut for Fiji's natural forest. The ongoing activity is the measurement of PSP plots.

The third round of Permanent Sample Plot measurement started last year and will continue to be measured to determine the growth increment over a period of years. The project staff continued from where it ended last year during the first quarter before commencing in Viti Levu throughout the year. The target for this period was to complete the second round of measurement.

There were a total of 17 plots measured; 7 plots for Viti Levu whilst 10 plots for Vanua Levu. Listed below is the plot distribution in its location, district, mataqali, province, and plot numbers.

Table 10: Plots measured in Jan-Jul 2016

	District	Date	PSP Plot No.	Mataqali	Province
Taveuni	Vuna	08/02/16	97	Vusaratu	Cakaudrove
Taveuni	Tavuki	16/02/16	98	Vusaratu	Cakaudrove
Taveuni	Cakaudrove	18/02/16	99	Vione	Cakaudrove
Taveuni	Wainikeli	11/04/16	100	Vidawa	Cakaudrove
Vanua Levu	Wailevu West	13/04/16	72	Bakibaki	Cakaudrove
Vanua Levu	Dreketi	05/04/16	73	Freehold	Macuata
Vanua Levu	Naqumu	05/04/16	74	Naumuumu	Macuata
Vanua Levu	Wailevu	05/05/16	77	Droniwai	Cakaudrove
Vanua Levu	Wailevu	10/05/16	80	Raravanua	Cakaudrove
Vanua Levu	Vanuavou	12/05/16	87	Vanuavou	Cakaudrove
Viti Levu	Nalawa	18/05/16	16	Nalaubu	Ra
Viti Levu	Burevanua	19/05/16	17	Lutukinakodro	Tailevu
Viti Levu	Dawasamu	31/05/16	18	Naboro	Tailevu
Viti Levu	Naqaravakawalu	10/06/16	35	Buluya	Naitasiri
Viti Levu	Lomaivuna	13/06/16	36	Natokalau	Naitasiri
Viti Levu	Wainikoroiluva	16/06/16	45	Descent lewatika	Namosi
Viti Levu	Waimaro	24/06/16	47	Nadoloi	Naitasiri





# 5.3.2.3. REDUCING EMISSIONS FROM DEFORESTATION AND FOREST DEGRADATION (REDD PLUS)

#### 1. Establishment of REDD+ unit

- In January 2016, six staff were engaged in the REDD+ Unit. Three officers (Project Officer, Executive Officer and Driver) and three consultants were funded by the FCPF grant (Technical Advisor / Team Leader, Communication Knowledge Management Specialist and MRV Specialist).
- The REDD+ unit office was set up in the Management Services Division, Colo-i-Suva and was completed and opened to use. Office equipment and vehicles were also purchased for the Unit.
- Three FCPF RIEs were compiled for release of funds from the Ministry of Finance.
- 1 FCPF Withdrawal of Fund application and Interim Finance Report was drafted and the FCPF fund audit conducted.

# 2. Strengthen MRV and Safeguards

- A Letter of Intent (LoI) of Carbon fund was drafted with stakeholders.
- Strategic Environmental and Social Assessment (SESA), Environmental And Social Management Framework (ESMF), Resettlement Policy/Process Framework (PF) And Safeguard Information System (SIS) for Fiji REDD+ Readiness consultancy was developed.

Activities undergoing procurement process include the following:

- Establishment of a Forest Reference Level (FRL) for forest land and development of a system for Monitoring, Reporting and Verifying (MRV) carbon emission reductions from forests in Fiji consultancy;
- o Digitising of Forest Cover Change; and
- o Methodology of Forest Cover Change detection 2007 2012.

# 3. REDD+ Subnational to National transition – Awareness Translation of awareness materials & reports

### a. Trainings/Workshops/Meetings

- A 2-day Planning REDD+ Workshop with stakeholders to confirm the 2016 work plan was conducted and a draft report was compiled.
- Fiji Higher Education Commission held the 4th workshop on national climate change qualifications from 9-10 Feb.
- 3 REDD+ Steering Committee meetings were conducted: 1 Extraordinary REDD+ Steering Committee and 2 REDD+ Quarterly meetings.
- REDD+ Project in Drawa. One working group meeting was conducted and one workshop (organised by Live and Learn) on the REDD+ Steering Committee members to review REDD+ Project in Drawa. All recommendations discussed had been forwarded to Live and Learn for their necessary actions.
- The REDD+ Unit and 2 Steering Committee members participated in the APFW (Asia-Pacific Forestry Week) 2016 with the theme "Growing our Future" under Stream 2 Tackling climate change challenges and opportunities. The major outcomes were;
  - o Fiji had established contacts with research institutions, particularly CIFOR, which can be useful in the planning and implementation of research activities around forest management and REDD+. Fiji will make use of this contact after developing the work plan for the component on measuring, reporting and verifying carbon emissions and development of a forest reference level;
  - o The landowner and MTA representatives had connected to international networks for training and enabling communities and indigenous peoples to play a strong role in natural resource management. This will result in invitations to future trainings and conferences and potentially a stronger international role;
  - Through panel contributions it became obvious that Fiji can take a lead role in international exchange on landowner participation, safeguards implementation and monitoring and efficiency of its multi-stakeholder dialogue through the REDD+ Steering Committee
- MRV planning workshop.
- Training of trainers on MRV was held in Bangkok.
- World Bank Mission; meetings, field trip; 25 29 April.
- FCPF 21st Meeting of the Participants Committee (PC21); Fiji represented by A/CF co-

- chaired meeting (on behalf of the REDD country participants).
- Presentation to PS Rural with REDD+ Secretariat on REDD+ National Programme.
- 2 REDD+ CSO platform meetings were conducted.
- REDD+ CSO platform Workshop and platform formalised.
- Pacific iCLIM (Pacific Climate Change Portal and Information Management Training Workshop) organised by SPREP was held at SPC, Nabua.
- The National REDD+ Consultation & Participation Plan workshop was conducted on 25 May.
- The Communication & Participation Plan: Stakeholder consultation was held on 24 May while the Validation workshop was held on 13 June.
- The 9th Executive Forest Policy Course was held from 24 May 02 June, Indonesia.
- The UN-REDD / SPC workshop on National Forest Inventory was also conducted in June.

#### b. Awareness

- FBC "4 The Record" an hour-long television program successfully aired on Sunday 14
   February 2016 advocating for the Fiji REDD+ Program and featuring officials from Forestry,
   iTaukei Affairs and NatureFijiMareqetiViti (NFMV).
- Printing of 2 Information Briefs (ER-PIN and Fiji REDD+ National Program) and printing of Posters (Fiji REDD+ Achievements) incorporating new corporate identity layout. The info briefs and poster have been uploaded to the Fiji REDD+ website, Facebook and Twitter accounts and sent to ITC for distribution to all govnet account users and distributed to other networks.
- Two new REDD+ banners were printed.
- A Lecture was conducted at USP on forest management and ecosystem functions.
- REDD+ Awareness materials were distributed to Matailobau Tikina meeting and Wesley Woman Rally, Suva.
- The REDD+ Exhibition booth was set up at the Asia Pacific Forestry Week (APFW)
  Convention. There was a lot of interest on the progress of REDD+ in Fiji especially in the
  social aspects regarding the challenges and expectation of communities involved in REDD+.
  A few commented that Fiji is quite ahead with REDD+. There were also some questions on
  the wood products that were on display.
- REDD+ awareness material exhibited at the European Union Day celebration on 11-13 May.
- Forestry Issues Awareness (including REDD+) were issued to Ratu Kadavulevu School (RKS) students and Reforestation on a site in RKS was organised by Silviculture Research Division.
- Presentation of carbon-related activities in Nakavu was conducted for GIZ country director and regional head.
- REDD+ Awareness in the newspaper on advocacy for the International Day of Forests.
- REDD+ social media page and website were continuously updated.
- The REDD+ Quarter 1 & 2 Newsletters were printed and circulated widely.

# 4. REDD+ Strategy

- The REDD+ Safeguard working group reviewed the USP SESA consultancy proposal. The Final SESA consultancy work proposal was received and forwarded to World Bank for contract preparation.
- The Drivers consultancy TOR was drafted. Contract preparation and collection of necessary information
- Communication & Participation (C&P) Plan and Communication Strategy drafted through stakeholder consultation
- Workshop: lessons learnt from pilot sites on reforestation, draft methodology

# 5. Reforestation of grassland and land use planning guide developed and Emalu land-use plan implemented

- Emalu pilot site REDD+ lease offer was accepted by the Department of Lands and Request
  of waiver of Tender for lease offer payment was submitted to Fiji Procurement Office for
  processing.
- Field Work

Number	List
4 fieldwork	<ol> <li>25-29 January – Agroforestry Demo plot Maintenance.REDD+ Secretariat took cyclone relief items organised by GIZ office to Draubuta village, Navosa for those affected by TC Winston. Emalu pilot site tropical cyclone Winston damage assessment report developed and submitted to HQ.</li> </ol>
	<ol> <li>25-29 April – Demonstration Plot Drip Irrigation, Reforestation &amp; Bee box maintenance.</li> </ol>
	3. 16-20 May – Reforestation Maintenance.
	4. 11-15 July – Mataqali Lewenikaya reforestation & demo plot activities.

National Land use planning guidelines workshop was conducted. The workshop was
attended by various sectors and agencies to provide their expertise towards the finalisation
of the drafted guidelines. It was ensured that the Fiji land use planning process complies
with various national and international requirements and expectations. This includes the
Free, Prior, and Informed Consent (FPIC) principles, the inclusion of gender issues, the
consideration of climate change impacts, and supporting the implementation of Fiji's
Green Growth Framework. The Emalu REDD+ pilot site land use planning was a case study
presented during the workshop.

# 5.3.3. EDUCATION AND TRAINING

#### 5.3.3.1. FORESTRY TECHNICAL SKILLS

A high number of requests for Technical Skills training especially on Chainsaw were received by the division after TC Winston passed through the country. This has resulted in the rescheduling of the initial programme of the section to try and attend to the request from villages and organisations that were affected by the cyclone. A total of 274 personnel have been trained between April and July from 8 different stakeholders.

Table 11: Jan-Jul 2016 Training Summary

	Date	Training Type	Venue	Number of participants
1	18/04/16 - 22/04/16	Chainsaw Maintenance and cross-cutting	Namarai, Ra	29
2	16/05/16 - 20/05/16	Chainsaw Maintenance and cross-cutting	Nabukadra, Ra	27
3	25/04/16 - 06/05/16	Manual Tree Harvesting  – Basic Level	FTC	29
4	30/05/16 - 10/06/16	Manual Tree Harvesting  – Basic Level	Viria, Naitasiri	42
5	20/06/16 - 01/07/16	Manual Tree Harvesting  – Basic Level	Korovou, Noimalu, Naitasiri	44
6	09/05/16 - 20/05/16	Manual Tree Harvesting  – Basic Level	Nasaumatua, Lovoni, Ovalau	29
7	23/05/16 - 27/05/16	Manual Tree Harvesting  – Basic Level	Wainaloka, Bureta, Ovalau	16
8	27/07/16 - 03/08/16	Chainsaw Maintenance and cross-cutting	Koro, Lomaiviti	58
	Total			274

### 5.3.3.2. SUSTAINABLE FOREST MANAGEMENT TRAINING & AWARENESS

Sustainable Forest Management (SFM) is the process of managing forest to achieve one or more specified objectives of management with regards to the production of continuous flow of desired forest products and services without undue undesirable effects on the physical and social environment. It ensures that forest resources are preserved to meet the needs of future generations.

The SFM Training target for 2016 focuses on supporting the International Tropical Timber Agreement (ITTA 2006) as well as supporting the Strategic Priority 4 of ITTO Action Plan 2013 – 2018 which is to reduce deforestation and forest degradation and enhance the provision of environmental services.

The focus was on the following areas:

- 1. Raising awareness and improving the understanding of ecosystem services, mangrove systems and coastal ecosystems amongst the Rewa and Tailevu Community;
- 2. Implementing an applied management action plans for the conservation of mangrove land and sustainable agricultural practices on sloping terrain;
- 3. Capacity building through the strengthening of village-based natural resources committee; and
- 4. Promoting alternative sustainable livelihoods through collaboration and technical support from the partnering agencies and organisations.

Table 12: Summary of SFM Training for Communities [Jan-Jul 2016]

No.	Dates	Venue	Male	Female	Total No. of participants
1	15th – 16th Feb	Waicoka Community Hall	23	11	34
2	20th – 22nd June	Waicoka Community Hall	18	5	23
3	9th – 13th May	Nasilai Community Hall	22	8	30
4	4th – 8th July	Naivakacau Community Hall	20	12	32
5	27th June – 1st July	Natila Community Hall	20	9	30
	Total		104	45	149





The resource owners in a training session

# **5.3.3.3. FOREST HARVESTING TRAINING**

TC Winston affected the start of the training activities for this section as the staffs were focusing on the rehabilitation work on areas affected by the cyclone.

A total of 3 activities were completed by the section which includes Skills Tests, First Aid and Supervision Training. 138 individuals were trained and tested during the period. Details are in the table on the following page.

Table 13: Forest Harvesting Training

Training	Venue	Date	No. of Participants
Skills Test	Bua Forest	04th, 07th, 08th, 21st, 22nd June	94
First Aid	Fiji Pine Station, Bua	3rd – 4th June	22
Supervisor Module 1	9th – 13th May	Nasilai Community Hall	22
Total			138

# 5.3.4. RESEARCH AND DEVELOPMENT - Silviculture Research and Resource Assessment

Responsible for the establishment and care of forest stands; management of tree nurseries and thinning of forests to encourage natural growth of sprouts or seedlings of desired varieties; researching problems of forest propagation and culture of tree growth rate, effects of thinning on forest yield, duration of seed viability, and effects of fire and animal grazing on growth, seed production, and germination of different species and development of techniques for measuring and identifying trees. The period Jan-Jul 2016 was a very challenging one given the massive destruction caused by Severe Tropical Cyclone Winston as most of our activity targets were disrupted and all field trials and seed sources were damaged affecting seed production, and resources were diverted to rehabilitation work.

# 5.3.4.1. RESEARCH INTO SILVICULTURAL PRACTICES OF NATIVE AND EXOTIC TREE SPECIES

There are five (5) activities under this research area: Compilation of Species Report, Seed Production, Seedling Production, Establishment of Clonal Seed Orchard (CSO) and Gene Conservation Areas (GCA), and Commodity Profiling of Priority Species.

# Establishment of Alternative Species Trial for P. caribaea – Drasa

This trial was established on logged-over Fiji Pine Ltd land in Drasa. The objective is to compare the growth performance of Pinus caribaea with potential alternative species. It includes Eucalyptus clozeana, Eucalyptus camaldulensis, and Pinus caribaea as control. It is in block-planting layout with each species planted in square plots of 49 trees (9 trees x 9 trees) at 3m x 3m spacing.

### **Growth Studies on Aquilaria sp. (Agarwood)**

The block of Agarwood was established at Colo-I-Suva in April, 2015. Forty (40) trees were planted in ten (10) 4-tree rows at 4m x 4m spacing The objective is to study the growth dynamics of the species, and to establish a seed stand for seed production.



Agarwood tree in Colo-i-Suva

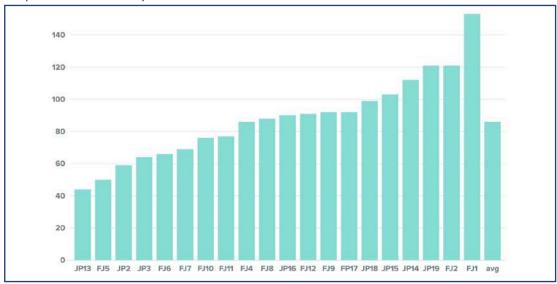
After 18 months the block mean height was 169.4 cm, maximum height 270.0 cm, and minimum height 105.0 cm. The mean basal diameter was 2.6 cm, maximum basal diameter 5.0 cm and minimum basal diameter 1.7 cm. Survival dropped to 87.5 % due to damages caused by TC Winston.

# Growth Studies on C. inophyllum (Dilo)

The objective of this study is to investigate the genetic variation and phenotypic characteristics of C. inophyllum in Pacific islands, and to use data for breeding populations that adapt well in various regional environments and future climate change.

Three (3) plots were established: site 1 (Vunimaqo) in May 2014, site 2 (Sigatoka Sand Dunes) in July, 2014, and site 3 (Mataso) in December, 2015. Sites 2 and 3 were written-off due to very high mortalities, and land dispute respectively. Twenty-one (21) Dilo families from Japan and Fiji were included. The Vunimaqo plot was measured after 18 months as shown in Graph 3 on the following page.

Graph 3: Dilo - Vunimago



FJ - Fiji JP - Japan

After 18 months FJ1 (153.0cm), FJ2 (121.3cm), and JP19 (120.5cm) were the tallest; JP13 (44.3cm), FJ15 (50.3cm) and JP20 (58.5cm) the shortest; and the plot average was 86.4cm.

# **Forest Restoration Trial in Degraded Areas**

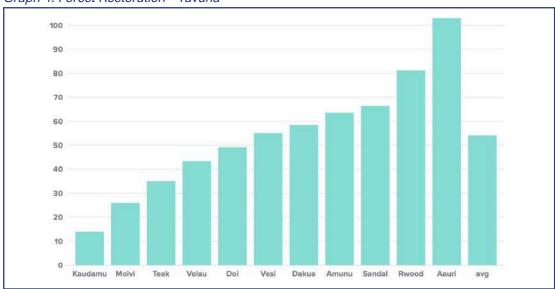
The objectives of this project is to establish a demonstration area for forest restoration in degraded areas, study performances of different species in the degraded site, and observe the response of plants to various forest restoration methods and silviculture treatments.

The design RCB is replicated 3 times in 14-tree row plots inter-planted with sandalwood and other species. It includes more than 600 trees of eleven (11) native/exotic species.

Two (2) forest restoration systems were applied namely Assisted Natural Regeneration (ANR) and Framework Species Method (FSM). These were aimed at facilitating rapid canopy closure, shade out weeds (site "re-capture") and to attract seed-dispersing animals (recruitment).

Site 1 (Nanukuloa) which was established in March 2015 was destroyed by TC Winston and has been re-established. Site 2 (Yavuna) was established in July 2015, and the result of the 15 months assessment is shown in Graph 4.

Graph 4: Forest Restoration - Yavuna



A.auricorliformis (103.0cm) and Siamese Rosewood (81.2cm) were the tallest and Kaudamu and Moivi the shortest after 15 months.

The canopy of the framework species like G.sepium, and E.variegata (Drala or Coral Tree) were closing-in. A.zizyphoides (Doi), A.auricorliformis and sandalwood were flowering. It illustrates that the tools applied (Framework Species Method & Assisted Natural Regeneration Method) were working. The prospect for early site-recapture and recruitment, and the full restoration of forests in the upper Nadi Water Catchment Area is very encouraging.



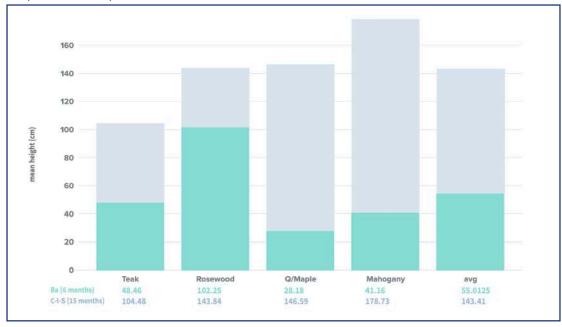
Canopy of the framework species (G.sepium, E.variegata) starting to close-in at the Yavuna Forest Restoration trial

# **Mixed-Species Woodlot Trial**

The objective of the trial is to compare the growth performances of different species in a woodlot, and establish a demonstration plot for mixed species woodlots.

Four (4) valuable timber species are included namely: Teak (Tectona grandis), Mahogany (Swietenia macrophylla prov. Tela-Honduras), Siamese Rosewood (Dalberrgia cochinchiensis), and Queensland Maple (Flindersia brayleana).

Site 1 (Colo-I-Suva) was established in March, 2015, and site 2 (Ba) in December, 2015. Result of the latest height measurements is shown in Graph 5.



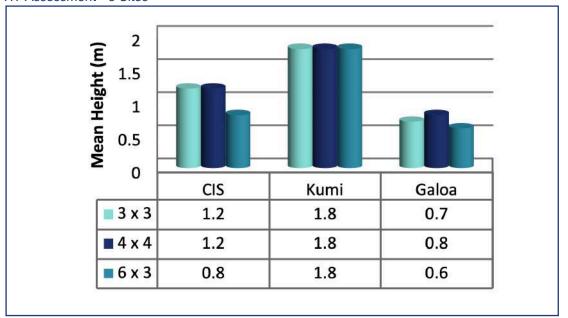
Graph 5: Mixed-Species Woodlot Trial - 2 Sites

In site 1 Mahogany (178.7 cm) was the tallest followed by Queensland Maple (146.6 cm), Rosewood (143.8) cm) and Teak (104.5 cm), after 15 months (Graph 5). In Site 2, Rosewood (102.3 cm) was the tallest, then Teak (48.5 cm), Mahogany (41.2 cm), and Queensland Maple (28.2 cm), after 6 months.

# **Sandalwood Spacing Trial**

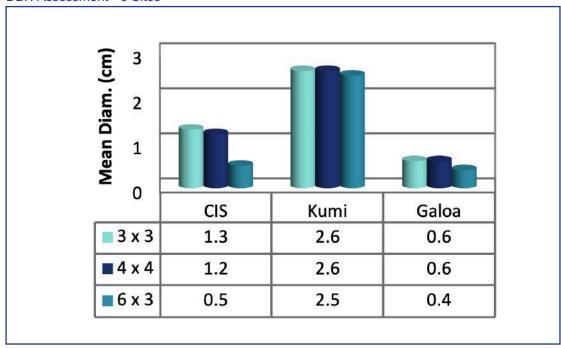
The objective is to establish a spacing trial for studying the effect of spacing on the growth of sandalwood, and for demonstration and seed production. Three (3) spacing are compared: 3m x 3m, 4m x 4m, 6m x 3m. Site 1 (Kumi) was established in July, 2014, site 2 (Wainiyabia) in August, 2014, and site 3 (Colo-I-Suva) in December, 2014.

Graph 6: Sandalwood Spacing Trial HT Assessment - 3 Sites



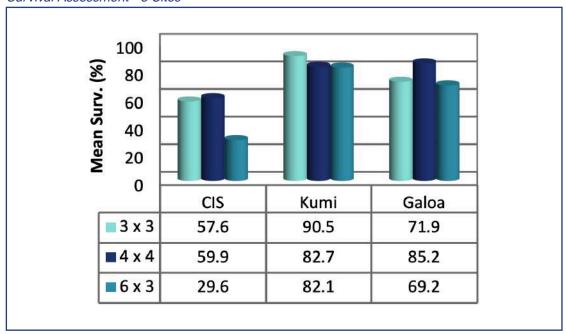
Effect of spacing on tree heights

Graph 7: Sandalwood Spacing Trial DBH Assessment - 3 Sites



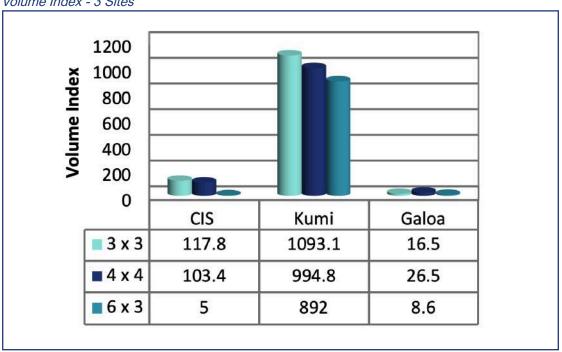
Effect of spacing on tree diameters

Graph 8: Sandalwood Spacing Trial Survival Assessment - 3 Sites



Effect of spacing on tree survival

Graph 9: Sandalwood Spacing Trial Volume Index - 3 Sites



Effect of spacing on volume index

The full effect of spacing on all parameters have not set-in yet as most trees have not grown large enough to trigger competition for space and sunlight. However, Kumi performed better in all parameters (Graph 6-9) because it was older, and site factors like soil fertility. Survival was lowest at Colo-I-Suva due to the wet climatic conditions of the area, and mortalities attributed to TC Winston.

The larger sandalwood and coffee (Coffea arabica) trees at Kumi were fruiting. When in full production this sandalwood stand will greatly raise the Forestry Department's capacity to supply sandalwood in the coming years





Fruiting sandalwood (L) and fruiting Coffea Arabica (R) in Kumi

# **Phenology Observation**

A new phenology plot was established within the existing Permanent Sample Plot in Koro-O Forest Reserve and at Dromodromo Forest Reserve. The plot size was 50m x 50m whereby a total of 78 trees (≥ 20cm dbh) were selected and permanently marked for monthly observations. Out of the 78 trees 36 trees were selected and marked at Koro-O and the remaining 42 at Dromodromo. Assessment was also carried out quarterly and results in Table 14.

Table 14: Phenology assessments undertaken monthly in 2016

Species	J	F	М	Α	М	J	J	Α	S	0	N	D
Kaudamu												
Damanu												
Kauceuti												
Masiratu												
Mako												
Kaunicina												
Fruiting	g		Flowerin	ng		Flower	ing					

### **Seed Production**

### **Seed Collection**

TC Winston affected the achievement of seed collection targets for 2016. Only 43.6 kg seeds were collected of which 5.8kg [13%] were sandalwood seeds, and 37.8kg Native timber tree species [87%].

# **Seed Processing and Sowing**

A total of 3.78kg sandalwood and 13.4kg native species were processed and sown with 24,693 seeds and 29,695 seeds respectively, as shown in Table 15.

Table 15: Seed processed and sowed in 2016

Species	Dry weight	No. of seeds sowed
Sandalwood	3.78kg	24,693 seeds
Native species	13.4kg	4,942 seeds
Total	17.8kg	

### Germination

A total of 9,864 germinants were produced during the year, and this included 5,922 sandalwood (13%), 2,652 native species (27%), and 1,290 exotic (13%), as shown in graph 10 on the following page.

13% Exotic 27% Native

Graph 10: Seed Germination Rate by species in 2016

# **Seed sales and Distribution**

As shown in Table 16, a total of 6.0 kg S.macrophylla seeds were sold and distributed in 2016.

Table 16: Total seed sales and distribution in 2016.

Species	Buyer	Quantity (kg)	Value (\$)
S. macrophylla	Extension Division	4.0	-
	OISCA	2.0	200.00
Total		6.0	200.00

# **Seedling Distribution**

A total of 1,483 seedlings were distributed during the year, as shown in Table 17 below.

Table 17: Seedling distribution in 2016

Month	Species	Quantity	Destination
January	Dakua makadre	200	Forestry Extension Division
	D/ Salusalu	200	Extension division
	Kura	20	Extension division
	Kaudamu	200	Extension division
	Damanu	30	Extension division
	Laubu	50	Extension division
	Waciwaci	50	Extension division
	Duvula	50	Extension division
	Nawanawa	20	Extension division
	Vesi dina	30	Extension division
	Rosarosa	50	Extension division
	Teak	50	Extension division

Month	Species	Quantity	Destination
February	Kaudamu	6	Nadi
	Amunu	10	Nadi
	Dakua makadre	6	Nadi
	Dakua makadre	12	Cicia Lau
March	Dakua makadre	200	Nacocolevu
	Kaudamu	6	Nacocolevu
	Vesi wai	10	Nacocolevu
	Vesi dina	10	Nacocolevu
	Mavota	5	Nacocolevu
April	Dakua makadre	4	2 0.11 0.00.11.0
May	Koka	1	USP
	Kuasi	1	USP
	Drala	1	USP
	Dilo	8	USP
	Waciwaci Rosarosa	1	USP
	Tavola	1	USP
	Damanu	8	USP
	Rosawa	9	USP
June	Eucalyptus	10	Tailevu
	Pine	6	Tailevu
	Pine	6	Tailevu
	Masiratu	10	Tailevu
	Masiratu	5	Lomaiviti
	Damanu	6	Tailevu
	Damanu	5	Lomaiviti
	Dakua makadre	6	Tailevu
	D/ Salusalu	5	Lomaiviti
	Kajal	6	Tailevu
	Moli	6	Lomaiviti
	Vesi	15	Tailevu
	Kaudamu	10	Lomaiviti

Month	Species	Quantity	Destination
July	Acacia	2	Ra
	Dakua makadre	3	Ra
	D/ Salusalu	4	Ra
	E colzelia	3	Ra
	Teak	2	Ra
	Teak	11	Ва
	Drala	5	Ra
	Drala	3	Kumi
	Velau	6	Ra
	Velau	3	REDD +
	Masiratu	5	REDD +
	Mahogany	14	Ra
	Rosarosa	5	REDD +
	Damanu	5	REDD +
	Pine	13	Ва
	Eucalyptus	9	Ва
Tota	l seedlings distributed	1,483	

### S.yasi Clonal Seed Orchard (CSO)/Gene Conservation Area (GCA)

The objective is to establish a seed orchard for pure S.yasi seed, and for conserving genes of the natural population. Two sites namely Lodoni and Vunimaqo have been established for this purpose.

# Site 1: Lodoni (RKS)

This CSO/GCA was established in 2015 at Ratu Kadavulevu School (RKS) in Tailevu and included 100 trees of Naiviqiri origin. More new genes will be added over time as more pure seeds of S.yasi are obtained.

### Site 2: Vunimago

The current sandalwood seed stands at Vunimaqo have been the main source of sandalwood seed for Forestry Department for more than a decade. In this new project more new genes of pure S.yasi are being added to increase the number of families for conservation, and also to raise capacity of seed production at Vunimago.

# **Commodity Profiling of Priority Species**

Under this activity twenty-five (25) tree species has been identified and necessary information collated for profiling the tree species, with the assistance of TUD and USP-IAS. This Guide is aimed at promoting the key timber tree species to investors into the country who wish to know more about timber tree resources of Fiji.

#### **Forest Health**

#### **Forest Health Assessment on Plantation areas**

Objective (s):

- 1. Survey and monitor insect pests and diseases occurrence at plantation areas or research trial plots of mono or mixed species.
- 2. Record all relevant pest and disease as this will contribute to the pest list manual which will be published at the end of 2017.
- 3. Compare and contrast pest and disease incursion in this mono and mixed-species plantation-based on-site locations either wet or dry and also altitudinal locations.
- 4. Draw up a pest list analysis for insect pest and disease infestation in specific plantation species.

Three (3) Forest Health Assessments were conducted in 3 research trial plot sites, namely the Forest Restoration Trial in Yavuna, Sandalwood Spacing Trial in Kumi, and the S.yasi Gene Conservation Area at RKS (Lodoni).

At Yavuna 30% plant mortality was recorded, 10% have recovered especially sandalwood and some with minor symptoms of tree disorder such as leaf discolouration and leaf spots with minor chewing. In RKS there was widespread foliage discolouration on many plants. At Kumi there was severe chewing on the foliage, caused by beetles especially weevils, caterpillar and some other leaf chewing insects.

A total of 406 plants were assessed of pest and disease infestation - 306 Sandalwood plants at Verata and 103 in RKS. Leaf discolouration and leaf chewing are common on most of these plants in the two plots that was assessed.

# **Pest and Disease Surveys in Nurseries**

This survey is undertaken at respective tree nurseries and done once every quarter to assess tree health conditions at nursery stage before field planting. The Silviculture Research Division nursery and a private sandalwood nursery in Visaru, Ba were assessed during Jan – July period. Most plants are healthy except for minor diebacks, leaf defoliation and leaf discolouration.

### **Nocturnal Light Trapping**

Light Trapping sites are chosen to compare nocturnal insect assemblages between the different habitat types which are pure plantations, mixed forests, and primary forest and secondary forest. Light-trapping was carried out for 3 consecutive nights in Lautoka pine plantations and results of insect collections are shown in Table 18.





Light Trapping in Lautoka Pine area (L), and insect collection for the 3 consecutive light trappings (R)

Table 18: Result of 3 insect collections (light-trapping) in Lautoka pine plantations

INSECT SPECIES COLLECTED	LT 1 (24/5/16)	LT 2 (28/6/16)	LT3 (29/6/16)	TOTAL
Order Coleoptera	-	-	-	-
Bostrychidae	1	-	1	2
Blattodea	-	-	5	5
Wasp	-	-	1	1
Lucanidae	1	-	-	1
Platypodidae	1	-	-	1
Scarabidae	-	-	-	-
Scolytidae	-	-	-	-
Formicidae	-	19	22	41
Order Hemiptera	-	-	-	-
Order Hymenoptera	-	-	-	-
Order Isoptera	-	-	-	-
Termitidae	-	-	-	-
Unknown	-		-	-
TOTAL	3	19	29	51

Fifty-one (51) insects were collected and most were of the order Coleoptera and about 6 of the families were collected.

Platypodidae
2% Scolyitdae
2% Bostrichidae
2% Scolyitdae
2% Lucanidae
2%
100%

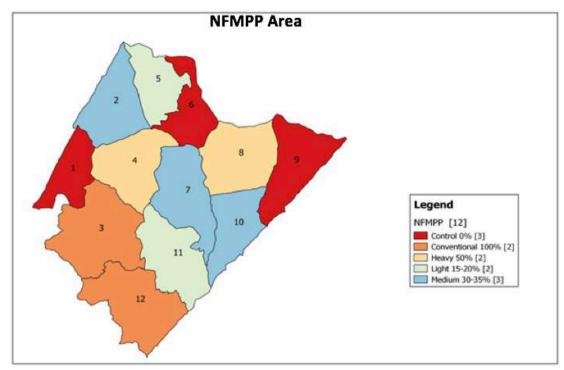
Graph 11: Light trapping in 2016 - Lautoka

Family Formicidae was the most collected insect family from the order Coleoptera and is one of the key indicators for forest health (Graph 11).

# Second-Rotation Logging - Nakavu NFMPP Site

The primary objective of the Natural Forest Management Pilot Project (NFMPP) at Nakavu is to develop management prescriptions for communally owned indigenous forests.

The 300 ha area was divided into 12 compartments (25 ha) each and replicated under different logging intensities: conventional (CL), heavy (HL), medium (ML), light (LL) and Zero (ZL) logging. Selective logging commenced in August 1992 and was completed in June 1994.



Locality map of NFMPP area at Nakavu

Graph 12: Log Removal - 2nd Rotation Logging

Twenty (20) years after the first selective logging in 1994 the 2nd-rotation logging commenced in 2014. A total of 382.142 m³ was removed from Compt. 3 and 4 in 2014, 245.961 m³ from Compt. 3 and 7 in 2015, and 242.915 m<sup>3</sup> from Compt. 7 in 2016 (Graph 12).



250 Volume (m3) 200 150 100 50 2014 382.142 2015 245.961 2016 242.915

After 2.5 years a total of 871.058 m³ had been removed which represented only 13.2% of total volume of 6,577.55 m³ to be removed from 9 compartments (Graph 13).

Total log volume removed from 2014-2016

100%

Total log volume yet to be removed

Graph 13: Proportion of Log Volume Removed

\*Total volume of logs removed in proportion to standing log volume yet to be logged.

The 2nd rotation logging operations have been marred by on-going issues with the logging contractors, landowners, and the high rainfall days of the area which greatly affects logging operations.

# Capital Project – Sandalwood Development Project (SDP)

A total of \$100,000 was allocated for Sandalwood Development Project for 2016. It covers costs of project activities that include Sandalwood Seedling Production; Sandalwood Field Planting; Sandalwood Awareness and Capacity Building program; Sandalwood Stock & Mass Calculation; Sandalwood Community Based Nursery Assistance; Revisiting and Monitoring of project sites; as well as for Project Stores and Vehicle Maintenance; and Project Officer Salary and allowances. As at 31st July, 2016 the project utilisation rate was 39% with an overall achievement rate of 23% against the 2016 target. The low utilisation rate and overall achievement rate is closely related to the impact of TC Winston that struck Fiji in February the 20th and the ending of the 2016 fiscal year on 31st July.

# SANDALWOOD SEEDLING PRODUCTION

The sandalwood seed and seedling target for 2016 was 25 kg seeds and 17, 500 seedlings respectively. However, at the end of July, 2016, a total of only 10 kg was procured, which were purchased from resource owners and seed sources such as Naiviqiri (Bua), Nagadoa (Bua), Tagaqe (Nadroga), Culanuku (Serua), Naboutini (Serua), Tiliva (Kadavu) village and others, for \$1,000.00 (\$100/kg). A total of 9,654 seedlings were raised in the nursery within this period, which also included wildings collected from Vunimaqo Sandalwood seed stands.

# FIELD-PLANTING PROGRAM

The sandalwood field planting program involved assisting of interested communities, individuals and private stakeholders in planting sandalwood. Seedlings and technical advice were provided during the implementation program. The planting target for 2016 was 24 hectares. Seedlings used were raised in the SRD Nursery or purchased from private and community-based nurseries.

The detail of the field planting program from January – July 2016 is outlined in Table 19.

Table 19: Summary of annual Sandalwood field-planting program in 2016

QUARTER	AREA (ha)
First	3.35
Second	1.4
Third	-
Fourth	-
Total	4.75 Ha
Annual Target	24 Ha
Overall Achievement	19.8%
0, , , , , , , , , , , , , , , , , , ,	

Standard spacing of 5m x 5m

### RESEARCH TECHNOLOGY, COMMUNITY AWARENESS, CAPACITY BUILDING

The main objective for sandalwood training/ capacity building program is to strengthen and improve sandalwood technology, knowledge and skills at community level. A total of 12 communities were targeted for training but unfortunately, none was undertaken due to circumstances relating to TC Winston early last year. However, during cyclone damage assessments project staff have visited communities and provided technical advice on rehabilitation of sandalwood plantations.

# SANDALWOOD COMMUNITY-BASED NURSERY ASSISTANCE

A total of 8 nurseries were targeted for development in 2016 but only one was achieved. This sandalwood private nursery was set up in Votua Village, Bua.

### 5.3.5. UNDERTAKE RESEARCH & DEVELOPMENT ON FOREST COMMODITIES

### 5.3.5.1. TIMBER UTILISATION RESEARCH & PRODUCT DEVELOPMENT

This Division is responsible for the research and investigation of wood properties of all native and exotic timber, formulation, establishment and implementation of quality management system for timber processing and timber utilisation; and administer timber trade through product development, quality controls.

### 5.3.5.1.1. RESEARCH ON NON-WOOD AND LESSER KNOWN SPECIES

# **Insecticidal Treatment of Bamboo**

The objective of the research was to identify the different recommended insecticides and their concentration in treating bamboo for indoor use.

Local Bamboo samples were dipped in Antiblu & Vacsol, Taratek and Creasote and were assessed monthly. Observations and results from the assessment done illustrated that samples dipped in Antiblu & Vacsol were found to have lesser insect attack than the other samples dipped in other chemicals (Taratek & Creasote).

### **Coco-wood Project**

The Coco-wood Project was facilitated by ACIAR, in partnership with SPC and the Forestry Department. The Project staff were also part of the Coco-wood Project as they also participated in some of the projects' activities. The Coco-wood project however ended its 3-year project in June this year (2016). A 2-day workshop was conducted to mark the "End of Project" and also conducted during the workshop was the handing over of the Lathe machine to the Forestry Department.





Mr Rob McGavin, of Dept. of Agriculture, Handing over of the Lathe Machine to the Fisheries & Forests, in Queensland briefs the Forestry Department at TUD, Nasinu audience on how the lathe machine works.

### Research on the Effects of Resin Tapping on Timber Quality

This research aimed to study and compare the timber qualities between untapped and tapped pine. The results from the study will assist industries, resources owners and also the general public that have special interest in Pine Resin Extraction and Pine timber as commercial product.

# 5.3.5.1.2. SUPPORT INCOME GENERATING FORESTRY PROJECTS THROUGH SUBSIDY & OTHER FINANCING OPTIONS

### Administration of SCARF

Under the Business Plan, the target was to support SCARF application to FDB. Applicants were assisted with advice and how to fill the forms with other related requirements that was needed by FDB. From January to July 2016 a total of 3 applications were received, vetted and support letter produced and submitted to FDB. The rise in number was mainly due to the TC Winston and resource owners were merely applying for SCARF assistance loan program to assist in the procurement of forestry specialised machines with a maximum amount of \$250,000. These included our SCARF contributions which was 35% of the total loan and 65% was FDB's contribution. One of the very important contributions of the SCARF program was the purchase of logging equipment and 2 portable mills to the village of Mare in Navosa which was officially launched by the Hon Minister Mr Osea Naigamu in February 2016.

# **Forest Subsidy Programme**

The Department was not able to implement the Forest Subsidy Programme as funds were diverted for rehabilitation purposes.

#### 5.3.6. EXTENSION AND ADVISORY SERVICES

This Division is responsible for the promotion of sustainable forests management through instituting afforestation and reforestation to stabilise degraded and logged over sites and expansion of forest cover.

# 5.3.6.1. COMMUNITY FOREST DEVELOPMENT

The Department committed most of its budget and staff in the rehabilitation works after the devastating impacts of TC Winston. Staff were mainly clearing debris and fallen trees and also replanting trees for community livelihood.

# 5.3.6.2.ITTO PROJECT - COMMUNITY BASED RESTORATION & SUSTAINABLE MANAGEMENT OF VULNERABLE FORESTS OF THE REWA DELTA, VITI LEVU.

This project is one of the Ministry's internationally funded projects with the idea of sustainable management of coastal and mangrove forest. The project started in October 2015 with full consultation to all relevant stakeholders who are directly and indirectly involved in the implementation of this project. The project was supported by the University of the South Pacific, the Conservation International and the Secretariat of the Pacific Communities.

Since the project sites and areas were under the jurisdiction of the central division, management had decided to shift the authority of this project to the Divisional Forestry Officer(C/E). The project is headed by DFO(C/E) with the assistance of two project staff. Activities of the project implemented from Jan-Jul 2016 are detailed below.

### **Component 1: Community Awareness and Alternate Livelihood Options**

The project completed community workshops on the importance of coastal and mangrove wetland and identification of alternate livelihood options in 4 villages in the Tailevu province. The team successfully produced the Community Management Action Plan which addresses social, economic and environmental issues for Waicoka, Natila, Nasilai and Naivakacau village.

There were several important issues identified during the workshops which cannot be implemented under the current guideline of the ITTO project. These problems are building of seawalls, aquaculture farming and livestock farming which are outside jurisdiction of ITTO project. These are daily problems and affect the livelihood of communities hence the issues have been discussed with the relevant ministries for consideration.

The ITTO staff worked closely with the technical staff from various units of Department of Forestry to implement the project. Each unit undertook different activities as outlined below:

- Central Eastern Forestry Played the lead role in implementing this project.
- <u>Forestry Training Centre</u> Facilitated trainings and awareness workshops in communities (component 1).
- Silviculture Research Identified and collected species to be planted (component 2 & 3).
- Management Division Developed land use maps for the villages (component 1).
- <u>Extension Division</u> Established nursery and trained communities on establishment and maintenance of nurseries (component 2).

# Component 2: Restoration and Rehabilitation of Degraded Coastal and Mangrove Wetland

The ITTO team commenced with the implementation phase at Nasilai village. The team has successfully completed the land use mapping exercise and identified the area and species that needed to be planted for restoring degraded coastal and mangrove wetlands at Nasilai village as the pilot site. The team plans to establish temporary nurseries in the next phase and conduct community training on tree seed collection, nursery techniques and planting of seedlings.

It is important to note that due to land disputes, traditional designed nurseries (coconut leaves nurseries) will be constructed. This is because the removing of nurseries after planting phase will be easy. Saving derived for not constructing the permanent nurseries will be utilised for other useful activities that add to the achievement of the project, upholding its objectives.

# 5.3.7. FOREST PARKS, RECREATION AND RESERVES

This Division is Responsible for the establishment, management, maintenance and enhancing of the use of forest parks and reserves, forest education and resource conservation promotion, restoration ecology and watershed and amenities planting.

### 5.3.7.1. COLO-I-SUVA FOREST PARK

The division continued to promote and educate the importance of protecting the natural resources to the public for our Colo-i-Suva Forest Park.

Colo-i-Suva (CIS) forest park is within the Colo-i-Suva forest reserves. The forest park on the three Mataqali land of Tuirara, Matanikorovatu and Naulukaroa shows the boundary for each of the Mataqali. The Park itself covers an area of approximately 92 ha which consist about 25% of the total reserve. It contains many tree species that are vital to the survival of certain fauna such as Vadra (pandanus pyriformis) tree.

The birdlife in the park is of international importance. Of all the fifty-seven (57) land birds in Fiji there are about 30 bird species found in the CIS Forest Park. Out of the 57 land birds 26 are found to be endemic whereas for CIS Forest Park there 17 endemic bird species found in the Park.

CIS has also become a popular picnic spot for locals and tourists over the years. For the period Jan-Jul 2016, CIS were visited by a total of 25,619 visitors raking in a total revenue of \$59,601.00. Refer to Table 20.

Table 20: Jan-Jul 2016 Summary

JAN-JUL 2016 SUMMARY				
Month	Total Visitors	Total Revenue [FJD]		
January	5,151	6,268		
February	4,003	7,490		
March	5,019	14,874		
April	3,216	11,006		
May	3,429	9,469		
June	2,376	4,546		
July	2,425	5,948		
TOTAL	25,619	59,601		

#### 5.3.7.2. NATURE AND FOREST RESERVES

The Nature and Forest Reserves boundary maintenance is a core output for the Division in ensuring clear demarcation of reserve boundaries; which lease arrangements are met by government. It includes the marking of all forest and nature reserves boundary that falls in our listing categories.

The Department manages a total number of seventeen (17) Forest Reserves and seven (7) Nature Reserves covering a total forest area of 34,890.43 hectares. Other parks and reserves managed by other Environmental organisations cover a forest area of 17,004.5 hectares. The maintenance of Forest Reserves activities mainly included boundary maintenance and demarcation. Annual lease and compensation payments for all reserves amounted to \$66,426.14.

Table 21: Forest Reserves

No.	Location/Name	Province	Year Established	Area (HA)
1	Taveuni	Cakaudrove	1914	11,290.7
2	Buretolu	Ва	1926	1,197.9
3	Nadarivatu – Nadala	Ва	1954	7,400.7
4	Maranisaqa & Wainiveitoa	Naitasiri	1955	77.3
5	Qoya	Rewa	1955	67.2
6	Tavua	Ва	1958	2 rods
7	Ravilevu	Cakaudrove	1959	4,018.7
8	Vago	Naitasiri	1959	24.7
9	Korotari	Cakaudrove	1961	1,046.9
10	Yarawa	Serua	1962	161.9
11	Savura	Naitasiri	1963	447.6
12	Colo-i-Suva	Naitasiri	1963	369.5
13	Suva & Namuka Harbour, incl. Draunibota, Labiko & Vuo Island	Rewa	1963	19.0

No.	Location/Name	Province	Year Established	Area (HA)
14	Lololo	Lautoka	1968	8.3
15	Naboro	Rewa	1969	19.0
16	Saru Creek	Lautoka	1973	3.2
17	Wabu	Ва	1992	2,907.0
	Total			29,059.6

## Table 22: Nature Reserves

No.	Location/Name	Province	Year Established	Area (HA)
1	Nadarivatu	Ва	1956	93.08
2	Tomaniivi	Ва	1958	1,323.33
3	Naqaranibuluti	Ва	1958	279.2
4	Ravilevu	Cakaudrove	1959	4,018.5
5	Draubota & Labiko	Rewa	1959	2.22
6	Vuo Island	Rewa	1960	1.2
7	Vunimoli	Cakaudrove	1968	20.2
	Total			5,737.8

## Table 23: Other Parks & Reserves

No.	Location/Name	Province	Year Established	Area (HA)
1	J. H. Garrick Memorial Park	Namosi	1986	427.0
2	Namenalala island Nature Reserves	Bua	1984	43.0
3	Tavakubu	Ва	1970	1.0
4	Saweni beach	Ва	1970	0.5
5	Lomolomo	Ва	1970	0.5
6	Nukulau island	Rewa	1970	8.0
7	Yadua Taba island	Bua	1981	50.0
8	Waisali Forest Amenity Reserve	Cakaudrove	2005	120.0
9	Vaturu Forest Amenity	Ва		
10	Sigatoka Sand Dunes	Nadroga		240.0
11	Wasavulu	Vanua Levu	1981	1.0
12	Batiniwai Protected Forest	Serua	1956	15,749.6
13	Bouma Forest Park	Taveuni	1991	80.9
14	Waikatakata Archaeological Park	Nadroga	1991	70.0
15	Tavuni Hill Fort	Nadroga	1992	3.0
16	Mount Evans Forest Park	Ва	1993	210.0
17	Lavena Coastal Walk & Nature Attractions	Taveuni	1994	
	Total			17,004.5

## 6. APPENDICES

## APPENDIX 1: AUDITED FINANCIAL STATEMENT FOR JAN-JUL 2016

#### OFFICE OF THE AUDITOR GENERAL

**Excellence in Public Sector Auditing** 



6-8™ Floor, Ratu Sukuna House 2-10 McArthur St P. O. Box 2214, Government Buildings Suva, Fiji Telephone: (679) 330 9032
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File 436

15 June 2017

The Honourable Osea Naiqamu Minister for Forests Takayawa Building TOORAK SUVA

Dear Sir

#### AUDITED FINANCIAL STATEMENTS

MINISTRY OF FISHERIES AND FORESTS FOR THE SEVEN MONTHS ENDED 31 JULY 2016

Audited financial statements for the Ministry of Fisheries and Forests for the seven months ended 31 July 2016 together with my audit report on them are enclosed.

Particulars of the errors and omissions arising from the audit have been forwarded to the management of the Ministry for its necessary actions.

Yours faithfully

Ajay Nand

AUDITOR-GENERAL

Cc. Mr Samuela Lagataki, Permanent Secretary for Fisheries and Forests

Encl.

## MINISTRY OF FISHERIES AND FORESTS

# FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2016

## MINISTRY OF FISHERIES AND FORESTS FINANCIAL STATEMENTS FOR THE 7 MONTHS ENDED 31 JULY 2016

## **Table of Contents**

INDEPENDENT AUDITOR'S REPORT	. 3
MANAGEMENT CERTIFICATE	. 5
STATEMENT OF RECEIPTS AND EXPENDITURE	. 6
APPROPRIATION STATEMENT	.7
TMA - MANUFACTURING ACCOUNT	. 8
TMA - TRADING ACCOUNT	., 9
TMA - PROFIT AND LOSS STATEMENT	10
TMA - BALANCE SHEET	11
STATEMENT OF LOSSES	12
TRUST ACCOUNT 1/3 SUBSIDY SCHEME STATEMENT OF RECEIPTS AND PAYMENTS	14
NOTES TO THE FINANCIAL STATEMENTS	15

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#### INDEPENDENT AUDITOR'S REPORT

#### **Audit Opinion**

I have audited the financial statements of the Ministry of Fisheries and Forests, which comprise the Statement of Receipts and Expenditure, Appropriation Statement, Statement of Losses, TMA Manufacturing Account, TMA Trading Account, TMA Profit and Loss Statement, TMA Balance Sheet, Trust Statement of Receipts and Payments for the 7 months period ended 31 July 2016, and the notes to the financial statements including a summary of significant accounting policies.

In my opinion, except for the effects of the matters described in the Basis for Qualified Opinion paragraph, the accompanying financial statements are prepared, in all material respects, in accordance with the Financial Management Act 2004, Financial Management (Amendment) Act 2016 and the Finance Instructions 2010.

### Basis for Qualified Opinion

- There is an unreconciled variance of \$224,312 between the fishing license fees of \$405,640 and FMIS
  general ledger balance of \$629,952. Consequently, I could not confirm the accuracy of revenue amount.
- There was no independent audit verification carried out for the Raw Material account balance of \$16,792
  and Finished Good account balance of \$1,229 in TMA Balance Sheet as at 31 July 2016. Consequently, I
  could not confirm the accuracy and completeness of inventory amount.
- 3. There is an unreconciled variance amounting to \$113,993 between the opening FMIS general ledger balance of \$79,641 and the opening balance of the Trust Account Statement of Receipts and payments of \$193,694. The Ministry of Finance adjusted the FMIS general ledger and did not provide appropriate audit evidence to support the adjustments. As a result, I was not able to ascertain the accuracy and completeness of the Main Trust Fund balance.

I have conducted my audit in accordance with International Standards on Auditing (ISA). My responsibilities under those standards are described in the *Auditor's Responsibilities* paragraph of my report. I am independent of the Ministry in accordance with the ethical requirements that are relevant to my audit of the financial statements in Fiji and I have fulfilled my other responsibilities in accordance with these requirements. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

#### Management's Responsibilities for the Financial Statements

The management of the Ministry are responsible for the preparation of the financial statements in accordance with the Financial Management Act 2004, Financial Management (Amendment) Act 2016 and the Finance Instructions 2010, and for such internal control as the management determine is necessary to enable the preparation of financial statements that are free from material misstatements, whether due to fraud or error.

#### INDEPENDENT AUDITOR'S REPORT (Continued)

#### Auditor's Responsibilities

My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISA will always detect a material misstatement when it exists. Misstatements can arise from fraud and error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

As part of an audit in accordance with ISA, I exercise professional judgment and maintain professional scepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or
  error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is
  sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material
  misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve
  collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are
  appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of
  the Ministry's internal control.
- Evaluate the appropriateness of accounting policies used and related disclosures made by the Ministry.

I communicate with the Ministry regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

Ajay Nand

AUDITOR GENERAL

Suva, Fiji 15 June 2017

## MINISTRY OF FISHERIES AND FORESTS MANAGEMENT CERTIFICATE FOR THE 7 MONTHS ENDED 31 JULY 2016

## We certify that these financial statements:

- (a) fairly reflect the financial operations and performance of the Ministry of Fisheries and Forests and its financial position for the year ended 31 July 2016; and
- (b) have been prepared in accordance with the requirements of the Financial Management Act 2004, Financial Management (Amendment) Act 2016 and the Finance Instructions 2010.

Samuela Lagataki

Permanent Secretary

Maciu Waqa

Principal Accounts Officer

Date:

## MINISTRY OF FISHERIES AND FORESTS STATEMENT OF RECEIPTS AND EXPENDITURE FOR THE 7 MONTHS ENDED 31 JULY 2016

D. C.	Notes	31 July 2016 (\$)	31 December 2015 (\$)
RECEIPTS			
State Revenue			
Native Timber Measurement		228,092	962,541
Vessel Registration		7,034	5,486
Management Fees			10
License Fishing		13,799	26,317
Sale of Fish and Ice	6	232,490	412,026
Offshore Fisheries Management Fees		750,878	1,743,925
Drying & Storage Facilities		263	
Miscellaneous Revenue		156,146	393,292
TOTAL RECEIPTS		1,388,702	3,543,597
EXPENDITURES			
Operating Expenditure		19	
Established Staff		4,801,264	7,847,972
Government Wage Earners	60 000	1,278,765	1,951,168
Travel & Communication		412,304	513,786
Maintenance and Operations		1,791,308	2,389,749
Purchase of Goods & Services		779,516	885,388
Operating Grants & Transfers	8	690,517	772,035
Special Expenditure	3(a)	955,788	407,653
Total Operating Expenditure	9.4	10,709,462	14,767,751
Capital Expenditure			
Capital Construction		4,824,823	5,770,180
Capital Purchases		539,040	649,013
Total Capital Expenditure		5,363,863	6,419,193
Value Added Tax		841,512	1,705,942
TOTAL EXPENDITURE		16,914,837	22,892,886

## MINISTRY OF FISHERIES AND FORESTS APPROPRIATION STATEMENT FOR THE 7 MONTHS ENDED 31 JULY 2016

SEG	Item	Budget Estimate	Appropriation Changes (Note 4)	Revised Estimate	Actual Expenditure	Carry — Over	Lapsed Appropriation
	Operating Expenditure	(\$)	(\$)	(\$)	(\$)	(\$)	<b>(S)</b>
1	Established Staff	7,903,478	(1,948,244)	5,955,234	4,801,264		1,153,970
2	Government Wage Earners	1,881,684	103,131	1,984,815	1,278,765		706,050
3	Travel & Communication	639,578	(9,371)	630,207	412,304		217,903
4	Maintenance & Operations	2,717,040	(24,772)	2,692,268	1,791,308		900,960
5	Purchase of Goods & Services	1,073,830	(2,770)	1,071,060	779,516		291,544
6	Operating Grants & Transfers	804,524		804,524	690,517		114,007
7	Special Expenditure	3,246,729	(104,370)	3,142,359	955,788		2,186,571
	Total Operating Expenditure	18,266,863	(1,986,396)	16,280,467	10,709,462		5,571,005
	Capital Expenditure						
8	Construction	6,280,000	1,986,396	8,266,396	4,824,823		3,441,573
9	Purchases	600,000	-1,-00,000	600,000	539,040		60,960
	Total Capital Expenditure	6,880,000	1,986,396	8,866,396	5,363,863		3,502,533
13	Value Added Tax	1,109,399	malan i	1,109,399	841,512		267,887
	TOTAL EXPENDITURE	26,256,262		26,256,262	16,914,837		9,341,425

## MINISTRY OF FISHERIES AND FORESTS TMA - MANUFACTURING ACCOUNT FOR THE 7 MONTHS ENDED 31 JULY 2016

	Notes	31 July 2616 (\$)	31 December 2015 (S)
Opening Raw Materials		7,322	10,728
Add; Purotases			
	2	7,322	10,728
Less: Closing Raw Materials		16,791	7,322
Raw Minteriols Used		(9,469)	3,406
Add: Direct Labour		52,087	112,316
Cost of Goods Manufactured transferred to Trading Account	*)	42,618	115,722

## MINISTRY OF FISHERIES AND FORESTS TMA - TRADING ACCOUNT FOR THE 7 MONTHS ENDED 31 JULY 2016

9	Notes	31 July 2016 (\$)	31 December 2015 (\$)
Sale of timber	w <sup>2</sup>		125 702
Sale of infliber		54,141	135,703
×		54,141	135,703
Opening Finished Goods		2,599	7,002
Add: Cost of Manufactured Goods	-	42,618	115,722
		45,217	122,724
Less: Closing Finished Goods		1,229	2,599
Cost of Goods Sold		43,988	120,125
Gross Profit transferred to Profit & Loss Statement		10,153	15,578

## MINISTRY OF FISHERIES AND FORESTS TMA – PROFIT AND LOSS STATEMENT FOR THE 7 MONTHS ENDED 31 JULY 2016

	Notes	31 July 2016	31 December 2015 Restated
		(\$)	(S)
Income	E 19	* *	
Gross profit transferred from Trading Account	a 8	10,153	15,578
Total Income		10,153	15,578
Expenses	ě		
Fuel & Oil			900
Office upkeep and supplies		3,990	58,126
Fixed asset replacement and improvement		39,273	
Total Expenses		43,263	59,026
Net Loss		(33,110)	(43,448)

## MINISTRY OF FISHERIES AND FORESTS TMA – BALANCE SHEET AS AT 31 JULY 2016

n a	9 91	Notes	31 July 2016	31 December 2015
	- B		(\$)	Restated
	# # # # # # # # # # # # # # # # # # #		20 EE	(\$)
Assets	8			
Cash at Bank		3 (b)	2,548,201	62,115
Raw Materials	80 85 E3 BEA	a 5	16,792	7,322
Accounts Receivable	9	2	5,745	5,745
Finished Goods		se ils	1,229	2,599
Total Assets		-	2,571,967	77,781
		W.	*	
Liabilities .		5 5	*	(4)
Deferred Income		3 (b)	2,500,000	
Deposits & Deductions	8 9		36,520	26,033
Total Liabilities		-	2,536,520	26,033
Net Assets	36	-	35,447	51,748
Equity		e.		10.40
TMA Accumulated Loss			(161,289)	(117,841)
Net Loss for the period	ė.	**	(33,110)	(43,448)
A 5		-	(194,399)	(161,289)
Transfers to Consolidated Fu	nd .		229,846	213,037
Total Equity	ts	i <del>llia</del>	35,447	51,748

## Loss of Fixed Assets (continued)

Nσ	Location / Station	Item	Purchase Price (\$)
34	Fisheries Savusavu	Office Stationeries	3,930
35	Fisheries Savusavu	Office Stationeries	2,920
36	Fisheries Labasa	Office Stationeries	1,050
37	Fisheries Rabi	Camera	690
38	Fisheries Taveuni	Camera	690
39	Fisheries Nabouwalu	Office Equipment's	1,035
40	Fisheries Lekutu	Office Equipment's	693
41	Fisheries Wainikoro	Office Equipment's	755
42	Fisheries Dreketi	Cabinets	460
43	Forestry Sigatoka	Office Equipment's	861
44	Fisheries Caboni	Blower, Camera, Water Urn	1,470
45	Forestry Nadarivatu	Office Equipment's	131
46	Fisheries Ba	Office Equipment's	9,280
47	Fisheries Lautoka	Office Equipment's	5,109
48	Forestry Lautoka	Office Equipment's	817
49	Forestry Ba	Office Equipment's	167
50	Fisheries Namarai	Wheel Barrow	200
51	Fisheries Tayua	Office Equipment's	6,266
52	Fisheries Rakiraki	Office Equipment's	630
53	Fisheries Sigatoka	Desktop, Monitor & Notebook	628
	L		203,319

## MINISTRY OF FISHERIES AND FORESTS STATEMENT OF LOSSES FOR THE 7 MONTHS ENDED 31 JULY 2016

## Loss of Money

There was no loss of money recorded for the 7 month ended 31 July 2016.

#### Loss of Revenue

There was no loss of revenue recorded for the 7 month ended 31 July 2016.

## Loss of Fixed Assets

Total costs to be written off

\$203,319

In accordance with the Procurement Regulations 2010 (Clause 52), the Permanent Secretary for Finance approved the disposal and write-off of the following items upon submission of the recommendations of the Board of Survey Report.

No	Location / Station	Item	Purchase Price (S)
1	Ba	Desktop and Monitor	2,000
2	Caboni Station	Notebook	2,000
3	Colo I Suva	Desktop, Monitor & Notebook	9,725
4	Galoa	Desktop and Monitor	2,000
5	Garage Colo I Suva	Printer	399
6	HQ, Takayawa Bldgs	Desktop, Monitor & Notebook	23,700
7	Korovou Forestry Office	Desktop	1,825
8	Labasa Fisheries	Camera, Projector	3,098
9	Labasa Forestry	Desktop, Monitor & Notebook	12,450
10	Lakeba Forestry Office	Notebook	2,000
11	Lami Fisheries Office	Desktop, Monitor & Notebook	17,200
12	Fisheries Lautoka	Desktop, Monitor & Notebook	8,599
13	Forestry Lautoka	Desktop, Monitor & Notebook	10,595
14	Fisheries Makogai	Notebook	1,700
15	Forestry MSD Office - Colo I Suva	Desktop, Monitor & Notebook	7,100
16	Fisheries Nabouwalu	Printer	549
17	Fisheries Naduruloulou	Desktop, Copier	4,300
18	Fisheries Nausori	Desktop, Copier	3,958
19	Forestry Nausori	Desktop	3,600
20	Fisheries Navua	Camera Printer	2,599
21	Forestry Navua	Desktop, Copier	2,300
22	Fisheries Rabi	Desktop, Monitor & Notebook	2,249
23	Fisheries Savusavu	Desktop, Monitor & Notebook	4,998
24	Forestry Sigatoka	Desktop	1,500
25	Forestry Siviculture	Desktop, Monitor & Notebook	7,848
26	Fisheries Taveuni	Fax, copier	549
27	Forestry Nasinu	Desktop, Monitor & Notebook	14,874
28	Forestry Nasinu TUD	Desktop, Monitor & Notebook	4,550
29	Fisheries Wainikoro	Camera	1,400
30	Forestry Korotari	Garden Tools & Equipment	1,295
31	Forestry Garage	Garage Tools	1,565
32	Fisheries Savusavu	Office Stationeries	662
33	Fisheries Savusavu	Office Stationeries	2,350

## MINISTRY OF FISHERIES AND FORESTS TRUST ACCOUNT – 1/3 SUBSIDY SCHEME – STATEMENT OF RECEIPTS AND PAYMENTS FOR THE 7 MONTHS ENDED 31 JULY 2016

	Notes	31 July 2016 (\$)	31 December 2015 (\$)
RECEPTS			
One - third Subsidy Contribution	, s	112	63,527
Total Receipts		112	63,527
PAYMENTS			
Retention Money		1,824	5,618
Total Payments		1,824	5,618
(Deficit) / Surplus	65 60 60	(1,712)	57,909
Opening Balance as at 1 January	g <sup>®</sup>	193,634	135,725
Closing Balance as at 31 July / 31 December	201 g	191,922	193,634

## NOTE 1 REPORTING ENTITY

The Ministry of Fisheries and Forests is responsible for the formulation of policies and development to ensure the long term sustainability of Fiji's Fisheries and Forest resources, stimulate economic growth within the two sectors and improve livelihoods for communities that rely on these resources.

The Ministry achieves this by ensuring a balance between resource utilization and resource conservation, and the development and alignment of its policies, strategies and structures in order to better address emerging issues, capture emerging opportunities, ensure effective and efficient service delivery to all our stakeholders.

The organization structure of the ministry is being realigned to drive economic growth in both the fisheries and forestry sectors for the short and mid-term, and strategies for the mid to longer term to capture emerging opportunities such as aquaculture and tuna certifications in the fisheries sector, and wood energy ad carbon trading in the forestry sector.

The Department of Forests operates a trading and manufacturing activity account that provides assistance in the processing and selling of the pine products.

The Department of Fisheries maintains a trust account for the one third subsidy scheme to help rural based fishermen with funding assistance for boat and engine. The scheme was discontinued by government in 2009.

## NOTE 2 STATEMENT OF ACCOUNTING POLICIES

## a) Basis of Accounting

In accordance with Government accounting policies, the financial statements of the Ministry of Fisheries and Forests is prepared under the cash basis of accounting. All payments related to purchases of fixed assets have been expensed.

The financial statements are presented in accordance with the Financial Management (Amendment) Act 2016 and the requirements of Section 71(1) of the Finance Instructions 2010. The preparation and presentation of a Statement of Assets and Liabilities is not required under the current Government policies, except for that of the Trading and Manufacturing Accounts.

## b) Accounting for Value Added Tax (VAT)

All expenses are VAT exclusive. The Ministry on a monthly basis takes out VAT output on total money received for expenditure from Ministry of Finance. VAT input on the other hand is claimed on payments made to the suppliers and sub-contractors for expenses incurred.

The VAT payment as per the Statement of Receipts and Expenditures relates to the VAT input claimed on payments made to the suppliers and sub-contractors for expenses incurred and VAT payments to Fiji Revenue and Customs Authority. Actual amount paid to Fiji Revenue and Customs Authority during the year represents the difference between VAT Output and VAT Input.

## NOTE 2 STATEMENT OF ACCOUNTING POLICIES (continued)

#### c) Comparative Figures

Where necessary, amounts relating to prior years have been reclassified to facilitate comparison and achieve consistency.

## d) Change in Fiscal Year

The 2016 financial year ending reporting period is for 7 months effective from 1 January 2016 to 31 July 2016.

#### e) Revenue Recognition

Revenue is recognised when the actual cash is received by the Ministry.

#### NOTE 3: SIGNIFICANT VARIATIONS

For the purpose of comparison of results for the seven months period covering January to July, 2016; the corresponding financial period (fiscal 2015) has been prorated by dividing the respective figure by twelve (12) and multiply by seven (7).

When prorate was carried out it was noted that there was an increase in expenditure in 2016 and this was due to the Cyclone Winston Rehabilitation work.

#### NOTE 3: SIGNIFICANT VARIATIONS

- (a) Special Expenditure amount was \$955,788 for the financial year 2016 (January 2016 July 2016) compared to \$407,653 in 2015, an increase of \$548,135 or 134% in 2016. This was due increase spending for the REDD Plus Project.
- (b) The TMA Cash at bank increased by \$2,486,086. This was due the injection of \$2.5 million from the Operating Fund Account to the TMA account for the Tropical Cyclone Winston rehabilitation projects.

#### NOTE 4: DETAILS OF APPROPRIATION CHANGES

The Permanent Secretary for the Ministry of Fisheries and Forests approved the following virements:

From	То	Amount \$	
SEG 1	SEG 5	56,000	
SEG 1	SEG 8	1,882,026	
SEG 7	SEG 8	40,322	
SEG 4	SEG 3	2,079	
SEG 4	SEG 4	8,725	

## NOTE 4: DETAILS OF APPROPRIATION CHANGES (continued)

The Permanent Secretary for the Ministry of Finance approved the following virements:

From	То	Amount \$	
SEG 8	SEG 8	526,625	
SEG 7	SEG 8	64,220	

The Permanent Secretary for the Ministry of Finance approved the following virements:

From	То	Amount \$	
SEG 8	SEG 8	180,384	
SEG 8	SEG 7	172	
SEG 5	SEG 1	10,317	
SEG 5	SEG 2	48,453	
SEG 1	SEG 1	640,013	
SEG 1	SEG 2	20,535	
SEG 2	SEG 2	293,070	
SEG 3	SEG 2	11,450	
SEG 4	SEG 2	22,693	

## NOTE 5: RECLASSIFICATION AND COMPARATIVE FIGURES

Certain reclassification has been made to the prior year's financial statements equity section to enhance comparability with current year's financial statements. As a result certain line items have been amended in the TMA – Profit and Loss Statement and TMA – Balance Sheet and the related notes to the financial statements. Comparative figures have been adjusted to conform to the current year's presentation.

		es eg		Previously reported 2015	After reclassification 2015
TMA - Profit and Loss		18	1.5	(\$)	(\$)
Expenses		68			
Maintenance and operation			1.00	59,026	
Fuel and Oil		# #	1		900
Office upkeep and supplies			9	-	58,126
TMA - Balance Sheet Equity			*	2.	a
TMA Accumulated Profit / (Loss)	N H		21	(117,841)	(117,841)
Net Loss for the period		99	100	(43,448)	(43,448)
Total		法			(161,289)
TMA Surplus Capital Retained to CFA				213,037	213,037
Total Equity			2	51,748	51,748

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