

Ministry of Forestry

Aug 2016 - July 2017 Annual Report

Parliamentary Paper No. 278 of 2020



OVERVIEW

Vision

The leader in forestry sustainability and innovation for small island economies.

Mission

To drive sustainable resource management, economic growth and improve livelihoods through SMART forest policies that are based on applied research and development.

Values

Responsible: We will discharge our duties with accountability

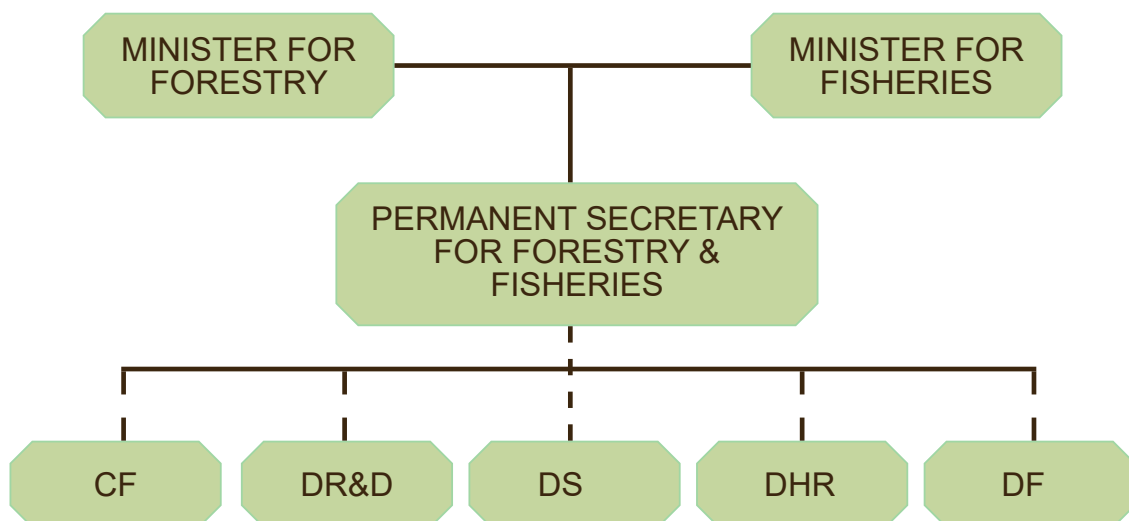
Resolute: We will discharge our duties with determination and be firm and fair in our decisions

Respectful: We will be sensitive to individual needs and the diversity of views.

Resourceful: We will be practical, creative, effective and efficient and maintain uncompromising integrity in our daily work.

Reliable: We will do and deliver what we have committed and promised to our customers.

MFF ORGANISATIONAL STRUCTURE





Ministry of Forestry Annual Report

For Period 01st Aug 2016 – 31st July 2017

ACRONYMS

ACIAR	Australian Centre for International Agricultural Research
BCPAM	Biodiversity Conservation and Protected Area Management
CF	Conservator of Forests
CIFOR	Centre for International Forestry Research
CSOs	Civil Society Organisations
DHR	Director Human Resource
DR&D	Director Research and Development
DS	Deputy Secretary
FFHCOP	Fiji Forest Harvesting Code of Practice
HTMB	Harvest Tree Manual (Basic)
ITTO	International Tropical Timber Organisation
MFF	Ministry of Fisheries and Forests
MOU	Memorandum of Understanding
MTA	Ministry of iTaukei Affairs
MRV	Measuring, Reporting, Verification
NFI	National Forest Inventory
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



REFERRAL LETTER FROM THE PERMANENT SECRETARY

Honourable Minister for Forestry
Mr Osea Naiqamu
Ministry of Forestry
Level 3, Takayawa Building
Toorak,
Suva.

Dear Honourable Minister,

I am pleased to present to you the Annual Report of the Ministry of Forestry for the period 1 August 2016 to 31 July 2017, for presentation to Parliament in accordance with the requirements of the Financial Management Act 2004.

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

Yours Sincerely,

A blue ink signature of G. P. N. Baleinabuli is written over a horizontal blue line.

G. P. N. Baleinabuli
Permanent Secretary for Forestry (since 15 November 2018)

EXECUTIVE SUMMARY



I am honoured to present the annual report for the Ministry of Forestry for the financial year August 2016 through to July 2017.

The year saw the Department of Forestry transition into a single portfolio Ministry through Government's decision to separate the Departments of Fisheries from Forests. The wisdom behind the separation is to allow for greater focus to be channeled towards harnessing the myriads of opportunities available in each of the two resource-based agencies to contribute to the Nation's economic and social development, while also ensuring a balance between resource utilisation and conservation.

Guided by Fiji's constitution and the Green Growth Framework, the new stand-alone Ministry set out its journey for the year with a renewed vision of being "The leader in forestry sustainability and innovation for small island economies", with the mission "To drive sustainable resource management, economic growth and improve livelihoods through SMART forest policies that is based on applied research and development".

With a budget allocation of \$11.4 million, the Ministry was able to deliver the required services to the Nation and its people. Major achievements for the year included the dedication of the Colo-i-Suva Forest Park as part of the Queen's Commonwealth Canopy – which is a network of forest conservation programmes in the Commonwealth countries. The President His Excellency Major-General (Ret'd) Jioji Konusi Konrote received Fiji's certification of membership from Her Majesty the Queen Elizabeth II during his official visit to the United Kingdom in October 2016.

The Ministry also continued its rehabilitation work with communities affected by Category 5 Severe Tropical Cyclone Winston which had an enormous economic impact affecting about one third of Fiji's economy in 2016.

The Ministry also continued reforestation degraded lands around Fiji and raising awareness on the importance of trees to the public. Forestry research continued to progress to ensure the work of the Ministry is informed and led by science.

I acknowledge the Minister for Forestry, Honourable Osea Naiqamu, for his able leadership in steering the Ministry in alignment to Government's national development strategies. I also extend my sincere appreciation to the then Permanent Secretary and staff of the Ministry for their dedication. The support from the key stakeholders including those in the forestry sector - the private sector, civil society organisations and members of the public who actively contributed towards sustainable forestry management are also acknowledged with appreciation.

A blue ink signature of G. P. N. Baleinabuli, written in a cursive style, positioned above a horizontal dotted line.

G. P. N. Baleinabuli

Permanent Secretary for Forestry (since November 2018)

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AGENCY OVERVIEW

ROLES AND RESPONSIBILITIES

The Ministry is a regulatory and service organisation responsible for the national forestry sector through the following functions:

1. Formulate and implement forest strategies and policies;
2. Provide and administer the regulatory function under the respective Ministry's legislation and regulations;
3. Monitor and evaluate current strategies, policies and deliverables;
4. Develop and promote effective training, communication and awareness and extension advisory services;
5. Strengthen community and industry networks and support frameworks;
6. Maintain international bilateral and multilateral commitments and
7. Undertake applied research for sustainable forest resource management practices and product development.

LEGISLATIVE FRAMEWORK

The Ministry of Forestry is guided in its daily operations by the following legislations, regulations, policies, plans and manuals.

Table 1: Organisational Management

Legislations	Regulations	Policies	Plans	Manuals
<ul style="list-style-type: none"> • Constitution of the Republic of Fiji 2013 • Financial Management Act 2004 • Tax Administration Decree 2009 • Fiji Health & Safety at Work Act 1996 • Civil Service Act 2016 • Act 2 of 2016 – Amendment to PSC Act • Employment Relations Promulgations 2007 & Employment Relations (Amendment) Act 2016 	<ul style="list-style-type: none"> • Civil Service Regulation 2017 • Finance Instructions 2010 • Fiji Procurement Regulations & Amendments 2010 	<ul style="list-style-type: none"> • General Order 2011 Terms & Conditions of Employment for GWE's 2010 • Ministry's Risk Management Policy 	<ul style="list-style-type: none"> • MOF Training Plan • MOF Asset Management Plan 	<ul style="list-style-type: none"> • MOF HR Manual • MOF Finance Manual

Table 2: Forestry Sector Management

Legislations	Regulations	Policies	Plans	Manuals
<ul style="list-style-type: none"> • Forest Act 1992 • National Research Bill • Environment Management Act (EMA) • Biosecurity Promulgation • Native Land Trust Act 2012 (amended) 	<ul style="list-style-type: none"> • Forest Sawmills Regulations 1968 • Preservative Timber Treatment Regulation 1992 • Forest Guard Regulations 1975 • Forest Fire Prevention Regulation 1972 • Environment Management (EIA Process) Regulation 2007 • Environment Management (Waste Disposal & Recycling) Regulation 2007 	<ul style="list-style-type: none"> • Fiji Forests Policy 2007 • REDD+ Policy 2011 • Forest Certification • Fiji Climate Change Policy 2012 • Draft Energy Policy 2013 • Fiji Rural & Land Use Policy 2005 	<ul style="list-style-type: none"> • National Biodiversity Strategy and Action Plan (NBSAP) • Green Growth Framework (GGF) 	<ul style="list-style-type: none"> • Fiji Forest Harvesting Code of Practice (FFHCOP) • Sandalwood Manual • Nursery Manual

FORESTRY PROGRAMMES AND PROJECTS

Table 3: Forestry Programmes and Projects

No.	Programme	Activities	Capital Projects
1	Policy & Admin	1. General Admin & Accounts 2. Economic Policy, Planning & Statistics.	1. Upgrade of Office & Quarters
2	Forestry	1. General Admin	
		2. Forestry Conservation & Management Services	1. REDD+ 2. Permanent Sample Plots
		3. Training & Education	1. Monitoring, Control, Surveillance
		4. Extension & Advisory Services (Reforestation & Afforestation)	2. Reforestation of Degraded Forests
		5. Monitoring, Control & Surveillance (Harvesting & Logging)	
		6. Forest Parks, Recreation & Nature Reserves	1. Upgrading of Colo-i-Suva Forest Park
		7. Silviculture Research, Resource Assessment & Development	1. Sandalwood Development
		8. Timber Utilisation Research & Product Development	1. Research & Development of Wood and Non-wood Species. 2. Utilisation of Wood. 3. Pine Woodlot Logging Package. 4. Purchase of Lakeba Pine Scheme.



REPORT ON PERFORMANCE

PORTFOLIO LEADERSHIP, POLICY ADVICE & SECRETARIAT SUPPORT

Development of Policies

The Ministry commenced work on a new Policy, the Planted Forests Policy, with assistance from the Food Agriculture Organisation (FAO). The aim of the Policy is to increase forest areas under managed plantations to reduce pressures on Fiji's natural forests. Consultations were conducted with all relevant stakeholders and a draft Policy was developed with FAO consultants.

Review of and development of Forest Legislations & Regulations

The Forest Bill 2016 [Bill No. 13 of 2016], which was a review of the Forest Act 1992, was presented to the Natural Resource Standing Committee and tabled in Parliament in 2016. The Bill is the outcome of a number of stakeholder consultations with a view of revising the 1992 Forest Act to include recent developments within the Forest Sector in addition to supporting the full implementation of the Fiji Forest Policy 2007. During the 2016-2017 Financial Year, the Ministry continued to pursue the finalisation and endorsement of the Bill.

The Ministry continued work on reviewing two forestry regulations, the Preservative Treatment Regulation 1992 and the Forest Sawmills Regulation 1968, to ensure that it captures recent developments in the Sector.

Cabinet Submissions

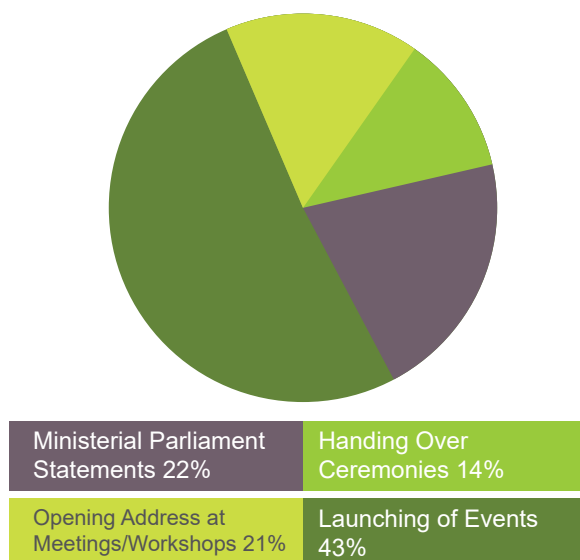
Five Cabinet submissions were made during this period and they are as follows:

- Progress of the Fiji REDD Plus Programme
- Fiji Emission Reduction Programme;
- Progress on the Reforestation of Degraded Forests (RDF) Programme;
- Update on the Progress of Woodwaste Energy and Woodwaste Pellet Development, and
- MOU between Indonesia's Ministry of Environment and Forestry and Fiji's Ministry of Forestry.

Speeches & Parliament Responses

Fourteen speeches were compiled and delivered by the Honourable Minister for Forestry at various events, as highlighted in Graph 1 below.

Graph 1: Speeches delivered by the Minister of Forestry



WORKFORCE

The Ministry has a total staff of 237, of which 127 are established and 68 are wage earners. A total of 42 project staff were also employed to ensure the timely delivery of project outputs. The 237 staff does not include the 17 corporate and executive staff that were shared between the Ministry of Fisheries and Ministry of Forestry.

Table 5: MFF Staff Profile

Programme	Established		GWE		Project		Total	
	Approved Post	Staffing Strength	Approved Post	Staffing Strength	Approved Post	Staffing Strength	Approved Post	Staffing Strength
1 – Policy and Admin	20	15	15	2	7	0	29	17
2 – Forestry	137	127	127	68	48	42	260	237
3 – Fisheries	180	149	149	60	85	71	329	280
TOTAL MFF	337	291	291	130	140	113	618	534

BUDGET ALLOCATION AND EXPENDITURE

A total of \$27.1 million was allocated to the Ministry, of which \$23.0 million (85.0%) was utilised for the implementation of the Ministry's programmes and projects, leaving a balance of \$4.4 million at the end of the July of 2017.

Table 4: MFF Budget Allocation

Programme	Total Operational funding (SEG 1-6)	Total Special Expenditure & Capital Funding (SEG 7-10)	VAT	Total Programme Funding
1 – Policy & Admin	\$2,050,000	\$281,000	\$135,000	\$2,466,000
2 – Forestry	\$6,263,000	\$4,752,700	\$370,400	\$11,386,200
3 – Fisheries	\$6,024,090	\$6,480,000	\$765,100	\$13,270,000
TOTAL MFF	\$14,338,000	\$11,513,700	\$1,270,500	\$27,122,200



FOREST SECTOR DEVELOPMENT

FOREST RESOURCE BASE

Fiji has a total of 1.2 million hectares of forest areas, of which natural (indigenous) forests comprises 81.3%, Pine comprises 7.2%, Mahogany comprises 5.7% and Mangrove comprises 5.0%. The Northern Division has the most forest areas covering 40.6% of total forest areas, followed by the Central Eastern Division with 30.5% and the Western Division with 28.2%.

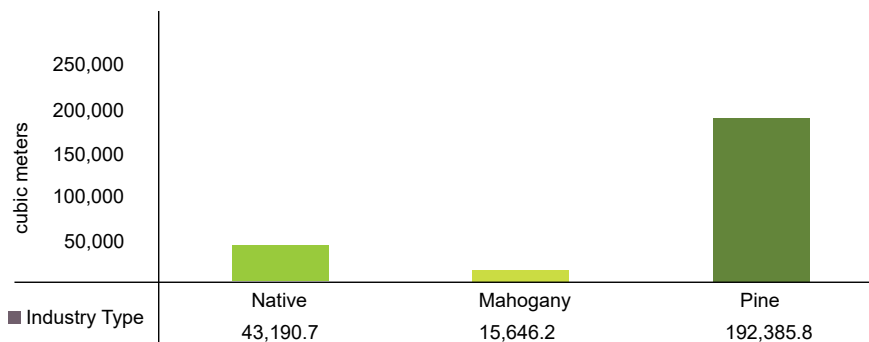
Table 6: Forest areas by Division

Division	Natural	Pine	Mahogany	Mangrove	TOTAL
Hectares					
Northern	408,390	21,000	26,100	29,720	485,210
Central/Eastern	320,520	3,146	26,500	13,890	364,056
Western	242,450	62,230	15,100	16,700	336,480
Grand Total	971,360	86,376	67,700	60,310	1,185,746

FOREST PRODUCTION

National log production from August 2016 to July 2017 stood at 251,222.8 cubic metres, of which Pine was 192,385.8m³ (76.6%), native species was 43,190.7m³ (17.2%) and Mahogany was 15,646.2m³ (6.2%).

Graph 2: Log Production Aug 2016 July 2017



DOWNSTREAM PROCESSING

SAWMILLS IN FIJI

A total of 66 sawmill licenses were issued during August 2016 to July 2017, of which 25 (38.5%) were for static sawmills while 40 (61.5%) were for portable sawmills.

Table 7: Sawmills in Fiji by Forestry Divisions

Division	Static	Portable	Total
Central Eastern	7	14	21
Western	8	10	18
Northern	10	16	26
Total	25	40	65

Timber Treatment Plants

Under the Forest (Preservative Treatment) Regulations 1996, 26 treatment plants existed during this period. Of these, 20 treatment plants were licensed, two were non-operational, one was newly established and three were under process before issuance of licenses. The summary is shown in the table below.

Table 9: Timber Treatment Plants in Fiji

Licensed plants	Non-operational	New establishment	Processing	Total
20	2	1	3	26



EXPORTS & IMPORTS

Permits

A total of 988 permits were issued this financial year, of which 284 (28.7%) were for exports while 704 (71.3%) were for imports

Table 10: Summary of Permits Issued for August 2016 – July 2017

Trade Type	Central	Western	Northern	Total
Export	117	139	28	284
Import	392	312	0	704
Total	509	451	28	988

Exports

Total export value of forest products from August 2016 to July 2017 amounted to \$33.0 million. The two major export commodities were pine chips and sawn timber, which generated total export revenue of \$26.4 million and comprises 80.0% of total exports.

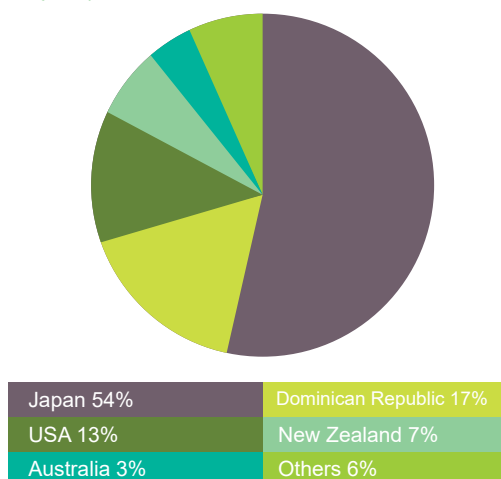
Table 11: Forestry exports by product type

Product Type	Cubic meters	Mt	Kg	Piece	Value (FJD)
Pine Chips		117,000.0			16,840,187.1
Sawn timber	6,215.5				9,555,959.6
Decking	1,750.7				3,278,331.8
Plywood	437.5				927,185.3
Slabs	421.9				546,164.1
Sandalwood			50,711.0		461,638.2
Components	88.0				365,764.9
Tabletops	227.7				277,738.1
Mouldings	82.4				146,776.8
Veneer	104.6				69,687.3
Crotches	30.4				33,293.0
Mongo Sticks			3,700.0		25,257.0
Posts	11.9				17,522.3
Wooden Artifacts				1,190.0	12,850.0
Finished Product				1,958.0	8,226.0
Form Seal Board	0.6				919.1
Others	315.6				415,333.5
Total	9,686.7	117,000.0	54,411.0	3,148.0	32,982,833.96

The major export destinations for forest products for the 2016-2017 Financial Year were Japan, Dominican Republic, USA, New Zealand and Australia, with a total export value of \$30.9 million.

Export Destination	Value (FJD)
Japan	17,736,306.42
Dominican Republic	5,535,508.87
USA	4,240,705.18
New Zealand	2,294,940.54
Australia	1,084,729.09
Others	2,090,643.86
Total	32,982,833.96

Graph 3: Major Export Destinations



Imports

Total import value of forest products from August 2016 to July 2017 amounted to \$29.2 million. The major import commodity was sawn timber, which stood at \$15.0 million and comprises 51.8% of total imports.

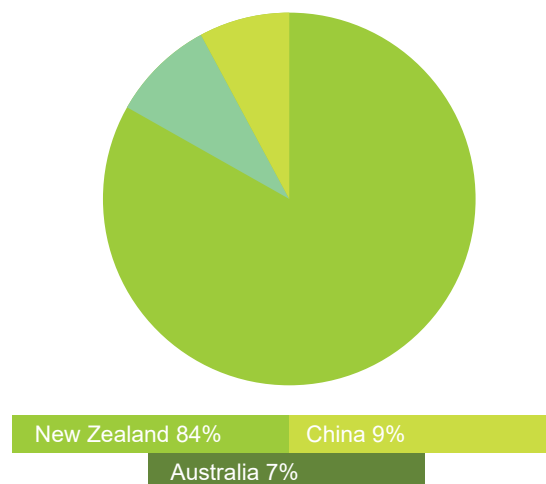
Table 12: Forestry imports by product type

Product Type	Volume				Value (FJD)
	Mt	Kg	Cubic meters	Other	
Sawn Timber			17,920.93		15,039,716.30
Plyboard			3,093.17		3,241,157.81
Masonite Board			2,569.47		2,550,291.75
Flooring			1,910.10		1,551,609.32
Moulding			980.84		1,045,986.36
Cross Arm			264.60		1,003,247.23
Lining			1,020.00		806,362.94
Poles			841.29		710,206.42
Film Face/ Form Seal			1,188.88		620,254.95
Wood Shavings	600.0				425,000.00
MDF Board			414.53		348,149.55
Decking			645.05		300,980.15
Weather-board			335.00		263,513.00
Wooden Reels			209.76		248,048.30
Match Splints			200.00		196,220.35
Melteca Board			163.39		170,693.74
Shingles				108m2/ 81.308	145,990.62
Veneer			13.00		81,958.91
Particle Board			77.15		73,440.83
Melamine Board			25.21		65,015.35
Laminated Beam			25.00		62,282.00
Gib Board			105.00		54,720.00
White Board			44.24		48,029.84
Mix Product			42.00		45,033.00
Shakes			1.25		36,938.00
Chip Board			51.40		24,306.56
Finger Joint			5.70		18,940.68
Sandal-wood		210.0			8,610.00
Shiplap			10.00		7,611.94
Soft Board			3.24		4,098.40
Post			1.80		1,856.44
TOTAL	600.00	210.00	32,161.99		29,200,270.74

The major import countries of origin for forest products for 2016-2017 Financial Year were New Zealand, China and Australia, with a total import value of \$27.5 million.

Import Origin	Value (FJD)
New Zealand	23,048,637.20
China	2,487,423.03
Australia	1,982,725.23
Others	1,681,485.25
Total	29,200,270.71

Graph 4: Major Import Country of Origin



GOVERNMENT SERVICES

FOREST LAW ENFORCEMENT: LICENSING, COMPLIANCE & MONITORING

Forest Logging Annual licenses

The total number of annual logging licenses (right licenses) issued during this period was 562, of which 184 (32.7%) was issued from Central/Eastern Division, 110 (19.6%) from Western Division and 268 (47.7%) from the Northern Division.

New licenses issued were 276, of which 98 (35.5%) were issued from the Central/Eastern Division, 47 (17.0%) were issued from the Western Division and 131 (47.5%) were issued from the Division.

A total of 286 licenses were renewed, of which 86 (30.1%) were from the Central/Eastern Division, 63 (22.0%) were from the Western Division and 137 (47.9%) were from the Northern Division.

Table 9: Right licenses issued by Division

Division	Total RL Issued	RL issued (new)	RL renewed
Central/Eastern	184	98	86
Western	110	47	63
Northern	268	131	137
Total	562	276	286

Monitoring, Compliance and Surveillance (MCS)

The Monitoring, Compliance and Surveillance of Forest Harvesting Operations continued to be carried out by the staff of the Forestry Training Centre and the MCS Project Officer during this period. The MCS Project received funding of \$100,000.00 this financial year to carry out its project objectives successfully. Activities completed by the Department included awareness, training and monitoring of forest harvesting operations.

Table 10: MCS Project Achievement

Milestone	Comments
Annual Timber Production Officer (TPO) Workshop	1 meeting was conducted with Divisional staff (North, West, Central/Eastern)
MOU & Harvesting Code Legal Compliance for Stakeholders	2 copies developed for submission to SGO
National Forest Monitoring	2 Rounds Completed – Bi Annual
Divisional Surveillance & consultation workshop	3 workshops were conducted in Lautoka, Labasa & Nausori
Log Scaling Concept Paper & SOP for Chainsaw Ripping	A draft copy was developed.

A Fiji Forest Harvesting Code of Practice (FFHCOP) Steering and Implementation Committee meeting was conducted during the year. The objectives of the Committee are to:

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

The project continued work on the two Memoranda of Understanding (MOUs) between the Ministry of Forestry and the Ministry of Employment, Productivity and Industrial Relations (MEPIR); and the Lands Transport Authority (LTA).

The TPO workshop was facilitated by the Project team and conducted for the harvesting staff in the Divisions in order to review the six months performance and areas of improvement.

Timber Processing

A total of 65 sawmills were licensed during the period of which 25 were static mills and 40 were portable mills.

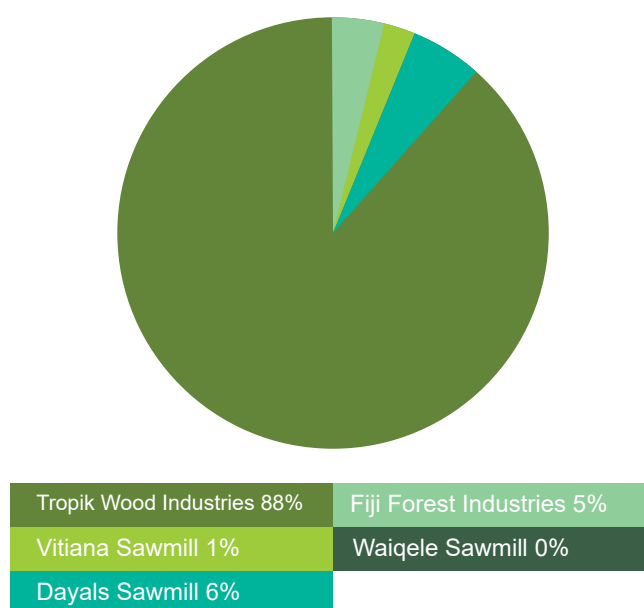
Out of the 26 treatment plants, only 20 treatment plants were licensed to operate during this period while two treatment plants were non-operational, one was newly established and three were under process.

A total of 20 kiln facilities existed during this period, however only five were operational as the rest were mostly conducting air drying. Kiln operations are dependent on customer's request as it is mainly a requirement for exports.

Table 11: Summary of Kiln Drying Figure Production for 2016-2017

Company	Species	Total Volume (m ³)
Fiji Forest Industries	Salusalu/ Makadre/ Fiji Pine	1,172.72
Vitiana Sawmill	Mahogany/ Yaka/ Makadre	358.74
Waiqele Sawmill	Pine	30.39
Dayals Sawmill	Mahogany	1,413.45
Tropik Wood Industries	Pine	22,385.52

Graph 5: Total Kiln Drying Volume 2016-2017 (m3)



Tropik Wood Industries records the highest number of kiln drying production figures due to the high demand of its treated products. The company mostly engaged in kiln drying as they have a huge demand for the supply of treated Hazard 5 FEA poles to the Fiji Electricity Authority for the Rural Electrification Project.



Moisture content assessment for kiln dried timbers

FOREST MANAGEMENT: FOREST RESOURCE INFORMATION

The Management Division is responsible for the management of the 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 co-ordination and facilitation of forest international and regional conventions and agreements.



National Forest Inventory (NFI) 2007

The NFI Statistics Report was drafted using the findings from the 2007 NFI and this continued to be reviewed this financial year to ensure data accuracy before publication.

Permanent Sample Plots

This project has been ongoing since its inception in 2009 with seven activities for the Project based on its PSIP. Four activities have been completed, one is ongoing and two are still to be carried out. There were a total of 23 plots measured; 11 plots for Viti Levu and 12 plots for Vanua Levu. Listed below is the plot distribution by its location, village, mataqali, province, and plot numbers.

Table 12: PSP Project Activities

No.	Project Activity	Status
1.	PSP Locality identification using NFI results	Completed
2.	Development and training on data collection methodology	Completed
3.	Recon of suitable areas and discussion with landowners	Completed
4.	Establishment of PSP	Completed
5.	Measurement of PSP	Ongoing
6.	Documentation of PSP	Pending
7.	Calculation of first estimate AAC	Pending



Table 13: Plots measured August 2016 – July 2017

PSP ROUND 3 Measured Plots from August 2016- July 2017				
Plot no	Date	Village	Mataqali	Province
7	12/5/2017	Nayaulevu	Dreketi	Ra
8	9/5/2017	Burenitu	Waiimaro	Ra
14	17/5/17	Nadala	Navitini	Ba
15	1/6/2017	Nasukamai	Matairoko	Ra
22	5/6/2017	Nanoko	Vadrasiga	Ba
23	16/5/17	Naga	Veivatu	Navosa
24	6/6/2017	Wailoa	Vatakesa	Naitasiri
25	30/05/17	Nakorosule	Drekeniwai	Naitasiri
33	24/11/16	Namoli	Mota	Navosa
34	13/06/17	Nasauvere	Matuku	Naitasiri
43	1/3/2017	Culanuku	Moromoroilagi	Serua
61	27/9/16	Koroinasolo	Tiliva Levu	Bua
63	19/9/16	Bua	Navunimavule	Bua
64	20/9/16	Wairiki	Nalulu	Bua
65	26/9/16	Nasawana	Burenitu	Bua
66	3/10/2016	Raravula	Nakawakawa	Bua
79	30/1/17	Luvutu	Nasealevu	Macuata
81	16/02/17	Suweni	Valeleka	Cakaudrove
84	26/1/17	Nabunikavula	Navetabua	Macuata
85	5/12/2016	Satulaki	Senitebe	Cakaudrove
90	15/10/16	Davoa	Davoirara	Macuata
91	24/01/17	Nacula	Nakalou	Cakaudrove
92	30/10/16	Kedra	Namako	Macuata

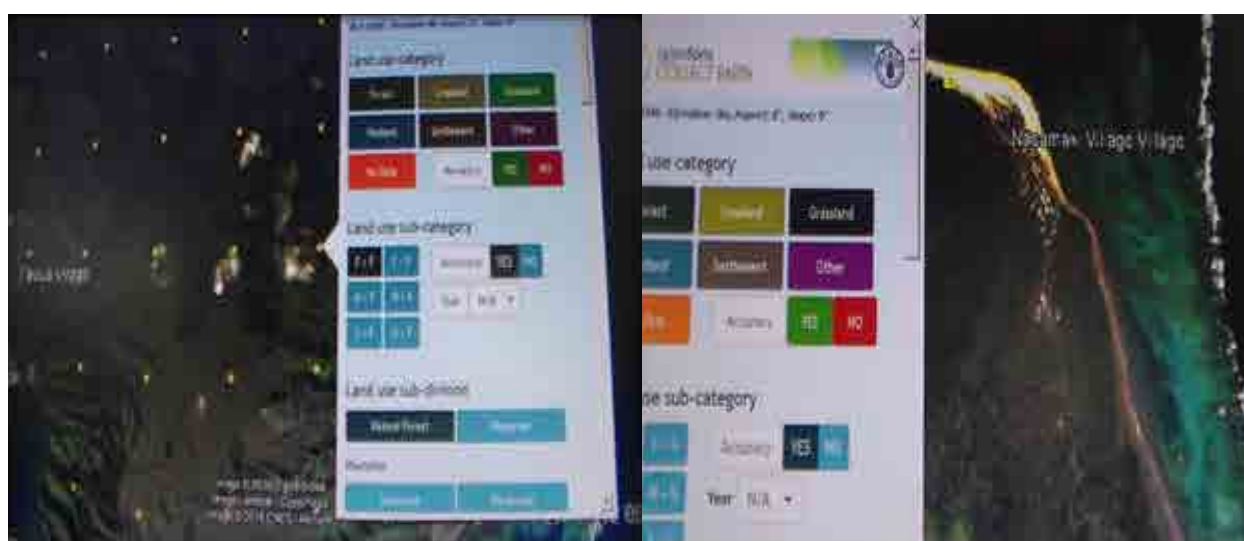


GIS and Mapping

A forestry officer was deployed to the Geoscience Division (SPC), Nabua, from August to November 2016, for the collection of points to stratify the land use category. This was done after the completion of the three weeks training on Collect Earth conducted by Mr Andrew Haywood (FAO Consultant), at the SPC Lotus Building in Nabua.

The task was to collect 10,000 Plots all over Fiji, on the Islands of Vitilevu, Vanualevu, Kadavu, Taveuni, Koro, Ovalau, Gau, Batiki, Moturiki, Naigani, Makogai, Beqa, Vatulele, Yasawa, Rotuma, Rabi, Kioa, the Lau Group and other small remote islands, and to visually identify the Land Use Category, as to whether the Plots (In yellow) fall on Forest, Cropland, Grassland, Wetland, Settlement etc.

After the completion of 10,000 Plots in November, a cleaning process of the 10,000 plots organised by FAO was conducted by Mr Haraguji (Japan) and Mr Gewa (PNG) and held at the Forestry Training Centre (FTC) in the month of December, in order to rectify the problems of this data collected. The cleaning process was run by the data cleaning tool (Saiku Analysis). Results of the analysis are shown below.



Land use Change	Plot #	Land use Change	Plot #
F>W (Forest- Wetland)	0	C>F	4
F>S (Forest- Settlement)	3	G>F	17
F>G (Forest- Grassland)	31	O>F	1
F>O (Forest- Other land)	2	W>F	0
F>C (Forest- Cropland)	19		
Total: 77 plots			

Results of data check / re-examining points/plots – Collect Earth Land use change between 1999-2016 especially those that occurred in 2000 – Saiku Analysis

Land use & Human Impact	Plot #	Remarks
Forest & Agriculture	26	Maybe more (Due to blank data)

Digitising of Forest Cover Using High Resolution Image

Geo-referenced data was acquired from Geoscience Division and four map quadrants were digitised per month. A total of 48 quadrants were processed, digitised and completed.

Timber Volume Estimates & Harvesting Plans

During this period, the Division received 40 applications for timber volume assessment. Five applications were from the Northern Division, 28 applications were from the Central Eastern Division and seven were from the Western Division. A total of 20 Logging /Harvesting Plans were produced during the period.

Table 16: Summary of timber volume assessment application

Division	No. of applications received	Volume	Area (ha)
Northern	5	72,529.9	2,977.1
Central/Eastern	28	329,800.7	17,840.5
Western	7	25,089.7	2,824.2
Total	40	427,420.3	23,641.81

Reducing Emissions from Deforestation and Forest Degradation (REDD Plus)

The REDD+ (Reducing Emissions from Deforestation and forest Degradation (+) forest conservation, sustainable management of forests and forest carbon stock enhancement) readiness process in Fiji has advanced since the endorsement of the REDD+ Policy in 2010. The REDD+ Policy contributes to the national forestry sector goal: 'Sustainable management of Fiji's forests to maintain their natural potential and to achieve greater social, economic and environmental benefits for current and future generations'. The REDD+ Policy emphasises safeguards to protect and respect the knowledge and rights of indigenous peoples, to ensure the active participation of resource owners, the consideration of gender issues in all phases of decision-making and the protection of natural forest and their ecosystem services. Fiji recognises REDD+ as an important opportunity to contribute towards global climate change mitigation, while strengthening the socio-economic situation of its forest resource owners and protecting and restoring its forest ecosystems.

The REDD+ readiness is being followed in a phased approach to its current national REDD+ programme:

- The first phase aims to put in place policy and institutional frameworks for the implementation of REDD+ and addressing capacity needs for the establishment of a national Measuring, Reporting and Verification (MRV) system.
- The second phase involves the development of a national REDD+ strategy, the establishment of pilot sites and strengthening MRV capacities (towards Tier 2 and 3 level reporting).
- The third phase will be the implementation of the strategy, participation in a REDD+ carbon financing mechanism, and the establishment of an operational MRV and IPCC reporting system.

Fiji is currently in phase 2 of its national REDD+ programme, and Readiness Preparation Proposal (R-PP) development and implementation supports the achievement of the targets set out in this phase, working towards successfully achieving the third phase.

The main focus of the programme in 2016 – 2017 is the Emalu lease payment, development of awareness material, Institutional Strengthening, continued development of the Emalu Pilot Site reforestation, agriculture demo plot, monitoring and alternative livelihood activities, development of Forest Reference Level (FRL) and National Forest Monitoring System (NFMS), Environmental and Social Monitoring Framework (ESMF), Analytical Studies of Drivers of Deforestation and Forest Degradation, REDD+ Strategy options, Land Tenure/Governance Analysis, Developing a Feedback and Grievance Redress Mechanism (FGRM) and Increased Awareness in Fiji on REDD+.

Development of REDD+ Readiness and Emission Reduction Program

Fiji had secured FCPF funding of US\$3.8m to implement its R-PP from 2015 – 2019, with co-funding from the Fiji Government and the SPC/GIZ Regional Programme Coping with Climate Change in the Pacific Island Region. Fiji's R-PP will mainly cover the analytical work and consultation process required to develop and validate the country's REDD+ strategy.

Tabulated below is the status of the four components of the Fiji Readiness implementation from August 2016 to January 2017.

Table 17: Status of achievement for REDD+ Project

REDD+ Readiness Component	Status
Component 1: Organise and Consult Outcome: <ul style="list-style-type: none"> i. Strengthening of the National Readiness Management Arrangements. ii. Capacity Building and Linkages between institutions and with stakeholders strengthened. iii. Optimised outreach and consultation; <ul style="list-style-type: none"> • Maximisation of REDD+ communication with all stakeholders and increased participation, • Centralised feedback and grievance redress mechanism. 	<ul style="list-style-type: none"> a. Ongoing Quarterly REDD+ Steering Committee (RSC) meeting and RSC guidance on the implementation of REDD+ programme in Fiji. 4 REDD+ Quarterly Meeting carried out. b. Establishment of REDD+ Unit office with 6 officers (4 technical officers, 2 admin officers). c. Climate Change and REDD+ Awareness workshop and establishment of the Northern and Western Divisional REDD+ Working Group. d. Northern Divisional REDD+ Working Group Inception meeting. e. Climate Change and REDD+ Awareness workshop to government stakeholders; Ministry of Rural Development, Ministry of Youth, Ministry of iTaukei Affairs, Ministry of Economy, Ministry of Forestry and Civil Society Organisation (CSO) platform, Fiji Council of Churches. f. Ongoing development of awareness materials and promotional items and media coverage. g. 1 Video Documentary produced for the 2017 International Day of Forest. h. Participation in the Booth Exhibition as requested from stakeholders and Northern and Central 2017 Agriculture show and Saqani and Kadavu 2017 Government Road Show. i. Ongoing community REDD+ Awareness as per request from communities. j. Ongoing capacity building on REDD+ and Climate Change at national and international level. k. Fiji REDD+ Consultation and Participation Plan and Communication Strategy developed and finalised. l. Developing a Feedback and Grievance Redress Mechanism (FGRM) for the Fiji National REDD+ Programme consultancy. m. GTB submission on revised financial proposal submitted to Fiji Procurement Office.
Component 2: Prepare The REDD-Plus Strategy Outcome: <ul style="list-style-type: none"> iv. Development and continued refinement of the REDD+ Strategy over the R-PP Implementation Phase. v. Legislative review and mapping of key drivers and causes of emissions in the LULUCF sector. vi. Identification of REDD+ options and selection of appropriate REDD strategies for different localities. vii. Design and implement a framework for the successful introduction and embedding of the REDD+ strategy, including the safeguarding and consideration of the Safeguards. viii. Implementation of the ESMF Framework. 	<ul style="list-style-type: none"> a. GTB approval, SG's office contract vetting approval received and payment of Emalu REDD+ Conservation lease made. b. Analysis of Drivers of Deforestation and Forest Degradation and Identification of Response Strategies consultancy. c. Contract signed consultancy to commence in August, 2017 d. Ongoing Emalu REDD+ pilot site reforestation, agroforestry, monitoring and alternative livelihood activities in Draubuta village, Navosa. e. 12.64 hectares planted in the Emalu reforestation site f. 62kg honey harvested from the Draubuta village Bee Keeping Farming. g. Emalu Pilot site update to Noikoro Tikina meeting and reforestation activities report back to Mataqali Dranu and Lewenikaya. h. 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. i. Deliverable 1 & 2 (inception report and work plan) received j. Deliverable 3 (Situational Analysis Report) received and under review. k. Workshop on Grassland Reforestation guideline. The grassland reforestation manual will be finalised in another workshop.

REDD+ Readiness Component	Status
Component 3: Develop a National Forest Reference Emission Level and/or a Forest Reference Level Outcome: ix. Determination of Fiji's REL/RL based on several studies. x. Capacity building in all aspects associated with or required for the determination of the REL/RL.	a. Establishment of a 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. b. Deliverable 1 (Situational Analysis Report) completed c. Reference period confirmed is 2006 – 2016 digitising of forest started to end in August 2017. d. Collect Earth data analysis workshop completed.
Component 4: Design Systems for National Forest Monitoring and Information on Safeguard Outcome: xi. Establishment of a National Forest Monitoring System including National MRV. xii. Capacity building in all aspects associated with or required for the NFMS.	a. Establishment of a 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. b. Consultancy currently working on NFMS and database for ESMF and SIS.



REDD+ Awareness to the MRMD



World Bank Mission to review R-PP and discuss ERP preparation



Keleni Naitako–Draubuta village youth the lead person in Bee Keeping Farm



Participants of the MRV inception workshop held on 02-03 May, 2017



EDUCATION AND TRAINING

The Forestry Training Centre (FTC) and the Timber Industry Training Centre (TITC) activities for the year continued to focus on communities that were affected by T.C. Winston. This is a continuous responsibility after T.C. Winston, and requests continued to be received at both Centres for the training of communities on Chainsaw and Portable Milling operations in order to assist them in rebuilding their homes.

The Training of Forest Technicians also continued throughout the year and was completed in December 2017. The Biodiversity Conservation and Protected Area Management (BCPAM) training programme was developed by the staff of the FTC, with support from the Food and Agriculture Organisation (FAO) of the United Nations. This was conceivably the greatest achievement by the Division this year, with the official launch of the programme by the Honourable Minister for Forestry, in Colo-i-Suva.



Forest wardens issuance of certificates

The Forest Warden Training was in progress throughout the year and is expected to be completed in the new financial year, with 31 individuals continuing to go through this module based training.

Wood Processing Training for the industry and communities are continuing with requests still pending from interested communities and individuals. The focus has been on areas affected by T.C. Winston and also on the Maritime islands, especially in Kadavu with the recent opening of the first portable treatment plant at Vunisea. It is expected that training will continue on the island in the new financial year, for communities that have not yet undergone this training.

Maintenance of Training Centre and Staff Quarters

FTC continued to maintain a total of 15 staff quarters. 11 are in Colo-i-Suva while four are in Lololo. There is one dormitory in Lololo, as well as the kitchen, storeroom and garage. One of the four staff quarters in Lololo was destroyed by uncontrolled fire during the year.

The remaining quarters in Lololo are in a poor condition and need to be repaired or dismantled. One of the plans is for the Extension Division to occupy two of the staff quarters while the rest are to be relocated to Colo-i-Suva. Water is the major problem in Lololo and work was carried out by the Lololo Forest based staff to restore water to the remaining buildings. Construction of a walkway between the FTC lecture rooms and the kitchen as well as the dorm is in progress and should be completed in the new financial year. The extension to the dining hall has been completed to accommodate extra staff during workshops and meetings.



The quarters that were burnt down in Lololo





The Dining Hall extension and walkway



Capacity Building for FTC staff

The Training and Education technical staff were provided with an opportunity by FAO under the GEF - Forest Protected Area Management (GEF-FPAM) project to visit Australia in October 2016. The Capacity Building tour was effective in:

1. Building the knowledge base over a short period of time: exposure to technologies, systems and processes that work in relation to the in-country situation;
2. Providing an insight into the working relationships, partnerships and cooperation between the state (government), communities, and non-government organisations, towards a common goal that is bigger than their individual goals;
3. Establishing networks for future support, funding assistance and exchange through short-term internship;
4. Understanding of the different “scales of economy” and better/wider perspective of similar in-country situations.



The FTC staff during their field visit in Australia.



Technical Skills Training

Requests for Chainsaw Training continued to be received at the Forestry Training Centre, and this was expected as a result of T.C. Winston, where communities were focusing on rehabilitating their own dwellings before government assistance was received. The forest harvesting monitoring of operations has also resulted in the request from logging companies for the training of their chainsaw operators.

Table 18: Summary of Technical Training

#	Date	Training type	Venue	No. of people trained
1	08/08/2016 – 19/08/2016	HTMB	FTC	25
2	22/08/2016 – 26/08/2016	Maintenance & Cross Cutting	Navuniivi, Navitilevu, Ra	31
3	19/09/2016 – 30/09/2016	HTMB	Rewasau, Nabobuco, Naitasiri	32
4	01/11/2016 – 04/11/2016	HTMB	Mataso, Nakorotubu, Ra	11
5	21/11/2016 – 02/12/2016	HTMB	Lawai, Nokonoko, Nadroga	25
6	09/12/2016 – 21/12/2016	HTMB	Nalotu, Yawe, Kadavu	15
7	16/01/2017 – 27/01/2017	HTMB	Namara, Sanima, Kadavu	25
8	31/01/2017 – 02/02/2017	Maintenance & Cross Cutting	Valebasoga Tropikboard, Labasa, Macuata	12
9	20/02/2017 – 03/03/2017	HTMB	Tropik Wood Industries Limited	29
10	13/03/2017 – 24/03/2017	HTMB	Buca, Natewa, Cakaudrove	31
11	27/03/2017 – 07/04/2017	HTMB	Bagata, Wailevu, Cakaudrove	49
12	10/04/2017 – 21/04/2017	HTMB	Tacilevu, Naweni, Cakaudrove	30
13	08/05/2017 – 19/05/2017	HTMB	Nabavatu, Dreketi, Macuata	35
14	12/06/2017 – 16/06/2017	Cross Cutting	FSC, Lautoka	10
15	10/07/17 – 19/07/2017	HTMB	Narikoso, Kadavu	21
TOTAL				381

A total of 381 personnel (from 15 different stakeholders) were trained from August 2016 to July 2017



SFM Training and Awareness

Sustainable Forest Management (SFM) and Awareness Training continue to be conducted, with the understanding that well managed forests with appropriate conservation measures can deliver society's needs in a sustainable way. The Sustainable Forest Management and Awareness Training Programme surpassed its target in the year. Out of the three planned trainings, the Division completed five trainings for the year. The assistance provided through the collaborations with ITTO Project helped the Division in achieving its desired output. The objectives and learning outcomes of the Programme this year had focused on the following four areas:

- Provide a broad appreciation of the extent and character of the global forest estate, as well as drivers of, and responses to, changes in forest cover.
- Explain how forests function and interact with wider ecosystem processes to provide environmental services.
- Illuminate the different ways in which people and societies relate to and utilise forest resources: livelihoods, lifestyles, and legal and policy frameworks.
- Examine the process of forest management planning, implementation and monitoring.

Table 19: Summary of SFM Training

Date	Community	Province	Female	Male	Total
5th – 9th Sept, 2016	Muanaira	Rewa	6	19	25
21st November – 25th November, 2016	Bua	Bua	24	15	39
20th February - 22nd February 2017	Sote	Tailevu	10	32	42
20th -24th March, 2017	Narocake	Rewa	13	27	40
30th May – 3rd June 2017	Natokalau	Cicia	9	27	36
Total			62	120	182

Forest Harvesting Training

The Fiji Forest Policy highlighted the need for comprehensive skills training for the forest industry to be able to improve knowledge on forest utilisation, the Fiji Forest Harvesting Code of Practice and environment protection practices, log conversion, timber preservation, quality assurance and marketing. Through this policy, the Forestry Training Centre continued to implement the actions under the Fiji Forest Harvesting Code of Practice, which requires that all supervisors, chainsaw and machinery operators working in forestry operations to be trained and certified in the principles of the code as part of their mandatory licensing process.

A total of 14 training activities were completed by the section which included Skills tests, First Aid, ID Card processing and Supervision Training.

504 individuals were trained and tested during the period.

Table 20: Summary of Forest Harvesting Training

TRAINING	VENUE	DATE	PARTICIPANTS
Supervision Module 2	Bua FPL, Northern Division	17th - 21st October	20
ID Card Processing	Bua FPL, Northern Division	17th - 21st October	197
Supervision Module 2	Lautoka	21st - 25th November	25
ID Card Processing	Lautoka	21st - 25th November	51
Supervision Module 2	VTB, Labasa	05th - 09th December	11
Supervision Module 3	VTB, Labasa	31 Jan - 02 Feb	11
Code Awareness	Bua FPL, Northern Division	02 - 04 Feb	20
Supervision Module 3	Lautoka	20 - 22 Feb	25
Code Awareness	West	23 Feb - 03 March	6 Contractors
Map Reading	FTC	27 - 31 March	16
Supervision Module 3	North	17 - 28 April	27 Contractors
Supervision Module 1	Bua/Macuata Forest Base	01/05 - 05/05	29
Skills Test	North	08/05 - 10/05	37
First Aid Training	Bua/Macuata Forest Base	11/05 - 12/05	29
TOTAL			504

Forest Warden Training

One of the key implementing priorities in the National Forest Policy is the need to “build capacity and to support forest owners in sustainably managing their forests” through the appointment of community based “forest wardens to assist in the policing of the forest laws”. The Forest Policy also mandated the Ministry to train resource owners on the environmental requirements of the Fiji Forest Harvesting Code of Practice and any other environmental protection requirements stipulated in the management and harvesting licenses and, where possible, engaged these trained resource owners to monitor environmental standards. With this policy as a guide, the Ministry, through the Forestry Training Centre, started the consultation and curriculum development in 2015, followed by recruitment and selection. The formal Forest Warden training started in 2016.

A total of 31 participants were recruited in the initial Forest Warden recruitment process. 17 were recruited from the Central Eastern Division, 13 from the Western Division and seven from the Northern Division. The selection of the current wardens is based on the following guidelines:

- Hot spot forest harvesting regions including maritime islands
- Geographical location to the established forestry offices
- Communities around Conservation and Protection forest areas
- Fire risk and degraded forest areas

The Forest Warden programme achieved 100% with a completion of Module 1 to Module 4 in all the three Divisions of the country. The way forward for the Forest Warden programme is the completion of employment conditions, demarcation of boundaries, reporting and payment system appointment and graduation.

Forest Wardens will:

- assist in the policing of all forest laws;
- monitor forest harvesting operations in remote areas including maritime islands;
- provide awareness on forest harvesting activities;
- provide awareness on environmental services of forest to communities;
- report on illegal forest related activities to Forestry staff, and
- provide awareness on forest conservation activities.



Forest Warden Training at FTC



Forest Technician Programme

A total of 22 students were enrolled in the 2016-2017 forest technician programmes. The recruitment process was very fair, with recruitment of 50% males and 50% females, promoting gender balance as stipulated in the 2013 Constitution.

The programme successfully completed nine units that included a combination of the theory, field practical, field execution, reports and an examination.

A total of nine units were covered within 34 weeks of Semester-based training. From August to December 2016, the section completed the delivery of four units with the final examination of these units. From January to June 2017, the section completed the delivery of five units, with the final examination. The technician trainees also completed two field attachments, in the industries and within the Divisions of the Ministry of Forestry.

The students also attended two weeks field attachments during the year with Field Attachment 1 conducted in October 2016 and Field Attachment 2 conducted in May 2017. The technician students sat for their final examination for the units covered in Semester 1 and the five units covered in Semester 2.



Forest Technician on Field Practical



Forest Technician on Nursery Training



SILVICULTURE RESEARCH AND DEVELOPMENT

The Silviculture Research Division is 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; conducting research in problems of forest propagation and culture such as 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 overall research programme has two key research areas; the plantation forestry and the sustainable management of native forests including Mangrove forests/ecosystem. These programmes consisted of five sub-programmes with multiple activities. The five sub-programmes are; natural forest management, tree improvement, forest health, seed technology and nursery practice.

Seed Production

The objective of this programme is to develop improved methods for harvesting, processing, testing, storing, retrieving and distributing seeds, to ensure improved viability.

There was a great decline on the volume of seeds being collected compared to previous years. The quantity of native seeds have been reduced to as low as 50% deficit due to many factors, including natural disaster, change in weather pattern, change in fruiting and maturity season, temperature increase, logging, stress and so forth.

One of the greatest challenges in this work is to have the required volume of seeds to cater for all the demand on any forest activities. These include private sectors, business, institutions, non-government organisations, faith based organisations, government and interested individuals.

Seed Collection

A total of 3061.1kg of seeds were collected during the year. Sandalwood species 3.72kg, Indigenous species 551.4kg and 2506.kg Exotic species.

Table 21: Summary of seed collection achievement during the year

Species	Fruit weight (kg)			
	1st Qtr.	2nd Qtr.	3rd Qtr.	4th Qtr.
Sandalwood spp	0.720	1.0	1.7	0.300
Indigenous spp	233.1	3.6	248.7	66.0
Exotic spp	2,506.0	-	-	-
Total collection per Qtr.	2,739.8	4.6	250.4	66.3
Total collection during the year				3,061.1



Seed Processing

Seeds received were processed according to seed type and equipment available in the lab. During the year a total of 278.56 kg of seeds was processed Sandalwood species 3.04 kg, Indigenous species 122.62 kg, and Exotic species 152.9 kg.

Table 22: Summary of seeds processed during the year

Species	Dry weight (kg)			
	1st Qtr.	2nd Qtr.	3rd Qtr.	4th Qtr.
Sandalwood spp	0.740	1.1	0.820	0.380
Indigenous spp	64.5	1.6	28.5	28.02
Exotic spp	148.9	1.4	0.200	2.4
Total collection per Qtr.	214.14	4.1	29.52	3.08
Total collection during the year				278.56

Seed Sowing

A total of 86,842 seeds were sowed for germinant production during the year. Sandalwood species, 21,608 seeds; Indigenous species, 41,631 seeds and Exotic species, 23,603 seeds.

Table 23: Summary of seeds sowed

Species	No. of seeds			
	1st Qtr.	2nd Qtr.	3rd Qtr.	4th Qtr.
Sandalwood spp	5754	8,125	6,850	879
Indigenous spp	13,401	2,155	15,878	10,197
Exotic spp	100	-	1,391	22,112
Total collection per Qtr.	19,255	10,280	24,119	33,188
Total collection during the year				86,842



Seed Sales and Distribution

A total of 18.5kg of Mahogany seeds were distributed during the year. 2.5kg of Mahogany seeds were sold and 16.0kg were distributed to the three Divisions; Central, West and North, for reforestation programmes.

Table 24: Summary of seed sales & distribution

Organisation /Customer name	Quantity	Remarks
Flower Power	0.5kg	\$100
OISCA	2.0kg	\$200
DFO – North	6.0kg	Replanting programme & nursery stock
DFO – Central	10.0kg	Replanting programme & nursery stock

Nursery Practice

This programme has three main objectives;

1. To develop effective and more economical techniques for the production of healthy and vigorous planting materials;
2. To develop a manual of procedures for the raising of healthy and vigorous uniform-sized seedlings; and
3. To transfer the knowledge gained to the general public.

There were no specific activities designed in this financial year to address the three key objectives, as the section mainly focused on the transplant and distribution of seedlings for high demand of afforestation and reforestation programmes, due the aftermath of tropical cyclone Winston. This brought pressure to the Division's normal activities to accommodate the need from the general public and supplement demand from the Extension Division.

Transplant

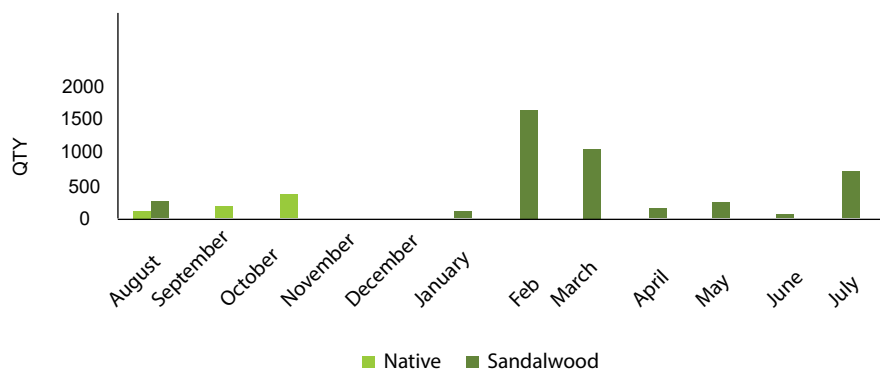
A total of 3,130 Sandalwood seedlings were transplanted, which is basically the same as the quantity of seeds, and being one of the lowest number recorded. This is due to many reasons, including the limited number of seeds available and also the viability of seeds.

Distribution

A total of 1,977 Sandalwood seedlings were distributed in this financial year, equivalent to 63% of the germinants. This figure should not be interpreted as high mortality, as there is a need to also consider other areas of stock take and recording, which would itemise the remaining 37%. Looking at the high distribution of Indigenous species in February and March depicts that most of the planting programmes are carried out concurrently.

The graph below illustrates the trend of seedlings distributed to communities, interested parties and individuals from August 2016 to July 2017.

Graph 6: Seedling Distribution Graph for August 2016- July 2017



Tree Improvement

The objective of tree improvement is to identify, thin and develop superior stands for the purpose of supplying quality seeds for reforestation.

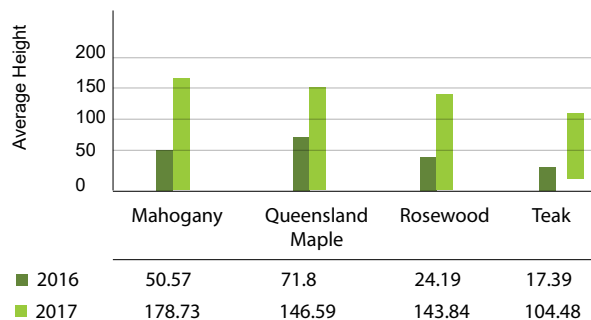
The seven activities planned for this financial year under review were; mixed species woodlot planting, Sandalwood spacing trial, clonal seed orchard and gene conservation area, growth dynamics of *Callophyllum inophyllum*, optimal tree species for reforestation in degraded areas, international Mahogany trial and conservation of *Dacrydium nausoriensis*.

Mixed species woodlot

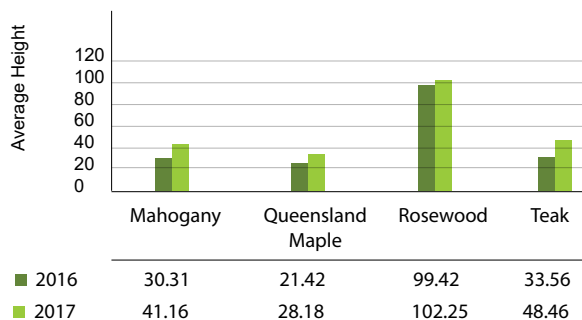
Four high value timber species were selected and planted to create small forest stands on farm-land to maximise economic returns for farmers as a long term crop. The four species are Mahogany, Queensland Maple, Rosewood and Teak. Two sites have been selected; Colo-i-Suva and Vaqia in Ba, for replication of methods to test the growth and survival.

It was interesting to note that all four species adapted well on both sites, producing an average survival rate of 85 -100%. For the Colo-i-Suva trial, the average height increase after a year of planting is 1m, whereas the Vaqia trial showed an increase by only 0.1m.

Graph 7: Average Height Against Species for Colo-i-Suva



Graph 8: Average Height Against Species for Vaqia, Ba



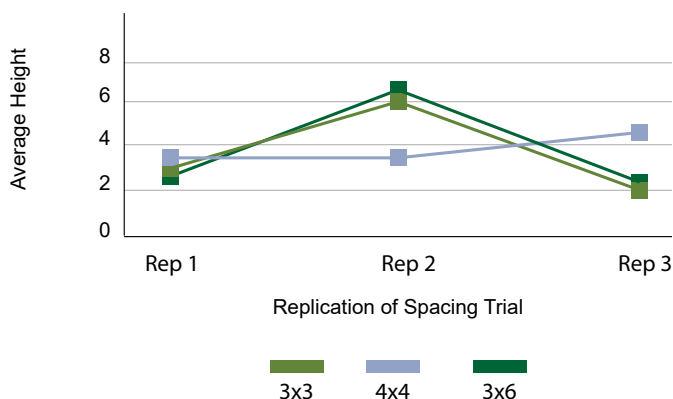
Sandalwood spacing

Sandalwood spacing is a key to improved growth and quality products. Over the years, spacing is one of the greatest points of discussion due to high mortality, slow growth, pest and disease infestation and management control. A lot of information on the growing of Yasi has been documented by individuals, but with very little emphasis on the spacing. This trial would be able to validate theories and practices and to ascertain appropriate sandalwood spacing. Kumi, Colo-i-Suva and Wainiyabia have been selected to conduct this spacing trial.

The three spacing trials are; 3m x 3m, 4m x 4m and 6m x 3m. At this stage, it would be difficult to determine the appropriate spacing, however, the information on growth and survival could be a basis of assumption. The average growth increments for all spacing within and between trials range from 1.806 – 5.9cm per annum.

	Growth Rate in CM								
	3x3	4x4	3x6						
	Max	Mean	Min	Max	Mean	Min	Max	Mean	Min
Replicate 1	27.5	3.104	0.35	13.2	3.662	0.1	23	4.810	0.1
Replicate 2	21.2	5.971	1.3	14.6	3.62	0.1	7.5	3.051	0.6
Replicate 3	18.5	1.806	0.45	26.98	4.7282	0.25	10.7	2.667	2

Graph 9: Comparing the Average Growth Rate for Sandalwood Spacing Trials



S. Yasi Clonal Seed Orchard (CSO) and Gene Conservation Area (GCA)

Seed orchards are stands planted especially for the production of abundant, superior seeds. A seed orchard consists of trees where the phenotype is usually of minor importance as long as the trees will produce seeds. Only when the seedling seed orchard is combined with a genetic test (via progeny trial) are the phenotypic characters of the trees important. Gene conservation

areas are also vital, in case of a major natural disaster in a particular area which results in the extinction of the conserved species, then it would be easier to restore it from the GCA available for that particular species, hence the gene pool of that species would not be lost.

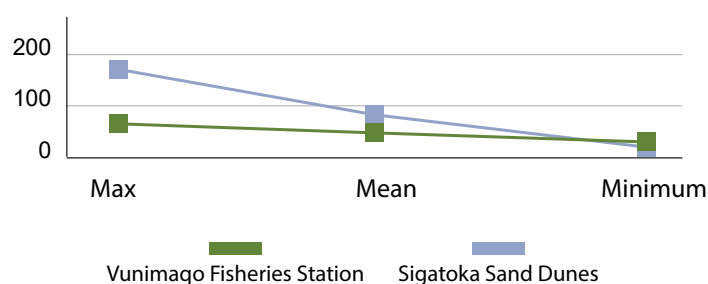
Studies on Growth Dynamics of *Calophyllum inophyllum*

The purpose of research is to investigate the genetic variation and phenotypic characters of *Calophyllum inophyllum*, distributed in the Pacific Islands, to use the data for breeding and developing seeds/seedlings in the distribution zone and to select useful trees, plus trees which will adapt to various regional environments and future climate change.

The major objective of this research is to improve the growth of *Calophyllum inophyllum* (Dilo), especially with tolerance to cyclone strength winds and to survey oil production and market potential of Dilo in selected countries of the Pacific Region. The data tabulated below represent the data of the three Growth studies of *Calophyllum inophyllum* plots.

Throughout the 2016-2017 fiscal year, the Species planted in Vunimaqo Fisheries Station performed much better with an average growth rate of 84.27cm, compared to those established in Sigatoka Sand Dunes with the average growth rate of 43cm.

Measurements	Vunimaqo Fisheries station	Sigatoka Sand dunes
Max	157cm	56cm
Mean	84.27cm	43cm
Minimum	23cm	32cm

Graph 10: Growth comparison of *Calophyllum*

Forest Health

The objectives of this section are to:

- Survey and document economically important timber infesting insects;
- Assess and document the disease incidence and problems in plantation;
- Develop effective and economic disease management programmes
- Gather relevant information on the ecology and etiology population dynamics of the main pathogens that play an important role in the forest ecosystem,
- Investigate into the biological control of major disease affecting plantation.

Forest Health scope of research throughout the year covered the following activities from August 2016 to July 2017:

- Forest Health Assessment at Plantation areas;
- Pest and Disease Surveys at Nurseries;
- Surveillance and Monitoring,
- Laboratory Work.

Forest Health Assessment at Plantation Areas

Throughout the year, the Forest Health team concentrated on two sites, the Spacing Trial in Colo-i-Suva and the Yavuna Restoration Plot in the Nausori Highlands. Mode of assessments is 100% where all the plants are assessed for pest and disease infestation. Almost all Agarwood plants survived and the mortality rate are very low at 5%. There is no major symptoms of tree disorders, except for a few and minor chewing of some of the foliage of these Agar wood plants.

At the restoration plot in Yavuna, most of the native species are not growing and from a research point of view, a lot of factors contribute to the ability of the plant in trying to adapt to a new environment, taking into account the natural adaptation and environmental conditions of the area. But from the forest health point of view, as assessments are based on the number of plants that survived overall, mortality rate is 50%. This means that almost half of the plants planted during the initial establishment are now dead. This is not only through pest and disease infestation, but other reasons associated with this, especially the environmental implications such as the weather patterns and soil formation of the area.

Also other implications will be the number of host plants planted within the trial, which has a lot of effects on the type of insect pests visiting the trial plots. Some of these host plant species are a major host of ambrosia beetles, which is one of the common wood boring insects. Timely maintenance and proper management practices are the key issues to avoiding a high mortality rate.

Pest and Disease Surveys

Assessments were undertaken at the Private Nursery in Nasoso, Nadi, SRD Nursery, Extension Nursery and DFO/West Nursery.

Most of the seedlings raised in these nurseries are thriving well with overall mortality about 5%, which is very low, indicating a high survival rate. However, seedlings have signs of pest and diseases and some of the major pests are mealy bugs, scales and white flies, with minor chewing.

Blight and decay/ stains on the foliage of *Swietenia macrophylla* and *Santalum* species. At the Private Nursery in Nasoso, all seedlings are treated with i) Root blast, ii) Malathion (Insecticide) and iii) RUM that supports the growth of the seedlings. Average seedling length in the nursery should not exceed 15cm and average seedling girth is to be 4mm, then it is ready for field planting. RUM is sprayed at an interval of every three months. Malathion (Insecticide) and Root blaster are sprayed at three-month intervals.



Surveillance and Monitoring

Trapping methods are used as a surveillance and monitoring tool to monitor pest incursion throughout the year. During the day, static traps are set at plantation areas, native forest areas and nurseries and ports of entry. These are to monitor pests that are active during the day and their occurrences. At night, nocturnal surveys are carried out to monitor pest interception, when some insects that are not active during the day come out in abundance, which is the best way to capture them to observe the population size and population density of each species.

Sentinel plants are also set up at ports of entry for early detection of pest and diseases, taking into account the adverse climatic conditions and the changes in weather patterns that could bring about unwanted pests and diseases into the country, through cargos and vessels entering our shores.

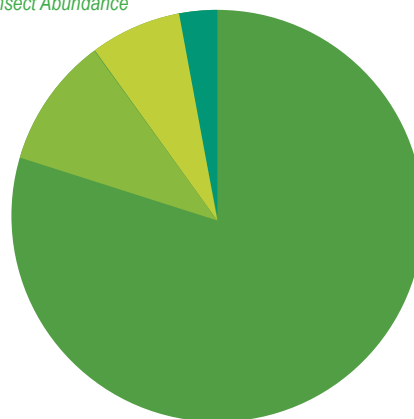
Analysing the data, the majority of the insects collected are from the Insect Order Coleoptera (beetles) and then Isoptera (termites). This confirms that these two insect orders are mostly pests of

forest and forest products. These could be identified through samples of infested wood and feeding patterns of these wood boring insects.

Comparing the results of the two years shows an increase in the number of insects collected which is very promising in the sense that while trapping and collecting the insect pests, it will lessen the effects or the damage to the forest. But indeed it does not take away the positive aspects of insects which are a good forest health indicator, clean refuse, produce honey and act as a biological control for insect pests.

Below is the pie chart showing that majority of the insects collected were from the Insect order Coleoptera.

Graph 11: Insect Abundance



Coleoptera 80%	Hemiptera 7%
Isoptera 10%	Lipidoptera 3%

The Insect Order Coleoptera, Scolytidae was abundant in plantation areas of *Pinus carriabea* and *Swietenia macrophylla*, whereas in natural forest areas, pest interception is very low.

Insect Pest trapping method

Light trapping shows positive results for these two years, due to the number of insects collected and the diversity of insects collected comparatively, taking into account the study site. As mentioned earlier, plantation areas will always collect more insect pests, compared to natural forest site. Also one of the major obstacles faced with static traps is they are either lost or on the ground during the time of collection.



Laboratory Work

Species identification and recording of insect pests collected from static traps, nursery and plantation assessments are ongoing activities, undertaken the day after field assessment.

- Specimen curation to preserve field collected specimens to catalogue what species exist in a certain area and to have reference specimens to compare to others in the future.
- All specimens must have a data label providing the location, date and collector.
- All wet specimens re-filled with ethanol and pinned dry specimens are brushed with ethanol for long-term preservation.



Way Forward for the Silviculture Research Division

The resources allocated to the Division are sufficient to produce research outcomes and deliverables set out in the business plan. However, there are areas that need improvement including capacity building, research publication and in-depth analysis. The objectives of research needed to be reviewed so that current issues are embedded into research activities and programmes. There is also a need for the refocus and realignment of the research structure, including human resources and programmes, to explore the finer details of plantation forestry, sustainable forest management and Mangrove ecosystems.

TIMBER UTILISATION RESEARCH & PRODUCT DEVELOPMENT

The Timber Utilisation Research & Product Development 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 administering the timber trade through product development, quality controls.

WOOD PROPERTY SECTION

Graveyard Trial Assessment Field Activities

Graveyard assessment trials are normally conducted to assess the natural durability of species in ground contact and treated species when exposed to outside environment conditions, seawater contact, in and out of ground contact.

Results of assessments are highlighted below:

1. Sub Project: Marine Piles

Location - Warwick, Wicked Walu Site

Year of exposure - 32 years

Assessment date - 14/11/2016, 01/05/2017

Observation and findings: Marine piles were treated at Hazard 6 Risk Level and they have been exposed and in contact with seawater for 32 years. After conducting assessment on the above dates, samples were found to be in contact but with a slight amount of paint leached off six piles. Other than the paint problem, the 12 piles are all in good condition with no evidence of termite attack and fungal decay. Marine piles maintenance is usually carried out by the hotel workers. The last maintenance was undertaken in July 2016.



Marine piles exposed to H6 marine conditions.

2. Sub project - FEA Poles and cross arms

Location - Nabou Highway, Queens Road

Year of exposure - 33 years

Assessment date - 14/11/2016, 01/05/2017

Observation and findings: 50 FEA poles were originally installed at the Nabou Highway treated to Hazard 5 risk level. Out of these 50 original posts installed, a few posts have been replaced by the Fiji Electricity Authority as a result of a fire outbreak near the Nabou Pine plantation. Posts are still in good condition after so many years of exposure to atmospheric conditions, except for posts 29,35,11,18 and 34 that have a long split from the base of the poles, giving a hollow sound, which indicates decaying of the poles from the inside.



Long splits from the centre right to the base; sign of decaying and rot.

3. Sub project: Treated shingles, weatherboard and post, Natural Heartwood Durability Location – Lololo FTC, Nasinu

Year of exposure - 30.5 years, 31.0 years, LKS 4.5 years

Assessment date - 18/11/2016, 01/05/2017

Observation and findings: Assessment was carried out for both trial plots location. However, Lololo trial is badly affected due to the relocation that took place, which resulted in most of the species missing from the trials. Shingles, post and stakes label have been removed and are missing from the trials and weatherboards have fallen to the ground. From the assessment that was carried out we have observed that poles, shingles and stakes that were treated have a durable life when exposed to ground compared to the Natural Heartwood Durability species. Species that were not treated are recorded to be in 3A, 3B and 4B condition, which indicated decaying and heavy insect attack, compared to the treated species recorded in 1A, 2B, 2A condition, which is slight decay and no insect attack.

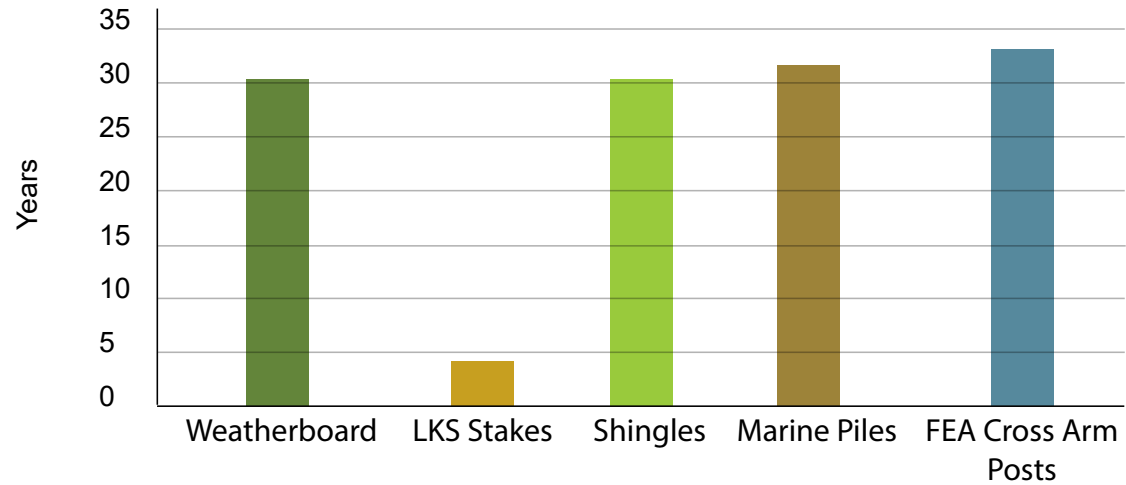


Fallen weatherboard.



Stakes with missing tags are placed aside.

Graph 12: Years of Exposure for each Species Profile



Note: The above graph indicates the species year of exposure in different locations. FEA Cross arm posts have been exposed to ground contact for 33 years, whereas LKS Stakes years of exposure in ground contact are 4.5 years.



Grading of timber stakes before instalation in research trial sites.

PRESERVATION SECTION

Quality Control – Laboratory Preservative Loading Tests (August 2016-July 2017)

The laboratory facility at Nasinu was utilised throughout the year on a “user-pay” basis for treated timber analysis and spot testing under the Division’s quality control monitoring scheme. Detailed below is the list of companies and individuals whose timber samples were received during the year, with the revenue earned.

Table 25: Summary of Timber Analysis Sample for 2016-2017

Hazard Level	Total No. Of Sample	No. Passed	No. Failed	% Fail	Rev. collected
H2	-	-	-	-	
H3	541	535	6	1.11%	
H4	92	85	7	7.61%	
H5	333	329	4	1.20%	
H6	-	-	-	-	
TOTAL	966				\$21,349.25



Drying of timber samples for laboratory analysis

SAWMILLING

The sawmill section provides advice and technical assistance to the sawmill industry with the view of improving quality and quantity of sawn out-turn, wood working industries, in support of value added products and also to operate the Division’s sawmilling and wood working facility on a semi-commercial basis.

Sawmill monitoring was carried on a quarterly basis for all 66 sawmills that were licensed during this period. The monitoring team consisted of staff from the Preservation Section and Wood Property Section around the Northern, Western and Central/Eastern Divisions. Non-compliant companies were issued with an Improvement notice on the spot and Monitoring reports were submitted to management for their information.

RESEARCH ON NON-WOOD AND LESSER KNOWN SPECIES

Research on Maesopsis Species

Maesopsis species normally grow in tropical forests and is also common in rotated logging sites. It can be identified from a distance by the whitish trunk. Sapwood is yellowish white to yellow in colour, while the heartwood is reddish brown. Its leaves are slender, smooth and shiny and measures up to 10cm in length. Samples for this research were obtained from Nausori Highlands. The discs were cut diagonally from the pith to the outer layer and numbered accordingly for basic density and moisture content assessments. The green weight of each piece was measured and recorded in grams (g) and were then subjected to saturation process. The basic density (1), air dry density (2), green density (3) and moisture content (MC) (4) were measured.



Table 26: Maesopsis Analysis Results

Moisture Content (MC)	117%
Basic density	452.26kg/m ³
Relative Density	471.38kg/m ³
Green density	1079.49kg/m ³
Density @12% MC	506.54kg/m ³

At an average density of 507g/m³ at 12%, Maesopsis is classified as hardwood species, which is in the range of 400kg/m³ - 580kg/m³ density at 12%, which is in the same class as Kaudamu, Kauvula and Mahogany.

10 green Maesopsis timber samples (Total Volume 0.008m³) were selected for Green Treatment at Amraz Earthworks Company at solution strength of Tanalith NCA 3.0 % (H3). All samples that were submitted passed H3 treatment.

Conclusion: Maesopsis, due to its classification, is recommended to be H3 treated before use on flooring and exterior uses. It is suitable for construction of furniture that requires carrying heavy weight.

Graveyard stakes have not been installed since the name tagging machine is no longer available at our usual supplier. However, research is also being done on other metal tagging machines available on the market which can be used to tag graveyard stakes.

Table 27: Sawmill Percentage Recovery for Maesopsis

Log Input	5.22
Output	2.576
Recovery	49%



Wrapping of Maesopsis Density discs for density analysis

Research on the Effects of Resin Tapping on Timber Quality

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

After numerous discussions with Fiji Pine Limited, the field visit for sample collection was finally implemented in March 2017. Samples were collected from PU 9 at their Nabou Pine Woodlot where 20 trees were selected (10 tapped and 10 untapped).

Results on physical condition of trees

The most obvious injuries sustained by the tapped trees are the tapping rectangular regions. Each tree was tapped more than once in a month, but on the same rectangular region.

In addition to this, certain tapped trees in Nabou were dying and according to the Fiji Pine Research Team, there was insect infestation on the dying trees that was a result from the Cyclone Winston aftermath. From the tapping perspective, tapping makes the wood drier and since resin has insect repellent properties, (Howes 1949), it might also reduce the tree's resistance to insects, thus tapped trees have become more vulnerable to insect attack.



Tapped *P. caribaea* showing the rectangular tapping region

According to the Fiji Pine Research Team, five different insects and three different forms of larvae were obtained from the light traps that were set up for the night before the day the insects were collected.



Insects obtained from the light trap.

Three types of larvae obtained.

(Source: Fiji Pine Research Report on "Dying Pine Trees in FPL Forests")

Two insects that were identified by the Entomologists were Water scavenger beetle and Click beetle. The insects are currently under observation at the CIS Entomology lab as to observe whether the insects use the tapped Pine trees as their breeding place or are they also the cause of the withering of Pine trees. The larvae are also under observation at the lab, awaiting their development into their adult form, for identification. This research is ongoing as we await results from our Entomology Laboratory at Colo-i-Suva.

Density Analysis Results	Untapped	Tapped
Moisture Content (MC)	68%	83%
Basic density	555kg/m ³	525kg/m ³
Relative Density	580kg/m ³	541kg/m ³
Green density	924kg/m ³	943kg/m ³
Density @12% MC	622kg/m ³	589kg/m ³

There is a slight difference in the Density results for untapped and tapped samples, but they still fall under the same timber classification, which is medium hardwood.

SUPPORT INCOME GENERATING FORESTRY PROJECTS THROUGH SUBSIDY & OTHER FINANCING OPTIONS

Administration of SCARF

Applicants were assisted with technical advice and were also guided in the filling of the forms with other related requirements that were needed by FDB before approving the loan request.

Six applications were received and vetted. The rise in number was mainly due to the impacts of T.C. Winston and applicants were applying to the SCARF assistance loan programme, for assistance in the procurement of forestry specialised machines with a maximum amount of \$250,000. This included the Ministry's SCARF contributions, which is 35% of the total loan, and 65 % is the FDB contributions.



Forest Subsidy Programme

Under this programme with a budget allocation of \$50,000, the Ministry was able to assist six people with the procurement of their specialised value adding tools and machines. This creates opportunity for those with skills and potential for wood carving, in order to boost their production while also enhancing the quality of their products.



EXTENSION AND ADVISORY SERVICES

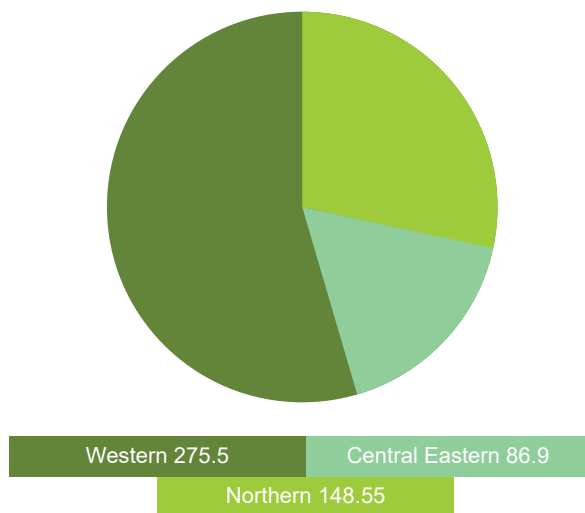
This Division is responsible for the promotion of sustainable forests management through instituting afforestation and reforestation to stabilise degraded and logged-over sites and expansion of forest cover.

Reforestation of Degraded Forests Project

The project aims to expand the forests resources, with the vision of creating future opportunity by supporting plantation development for future socio-economic needs, such as wood lot establishment, food security, fuel wood availability and by generating employment in the primary industries, and also expanding the sector through education and research, while at the same time, ensuring environmental roles, such as the restoration of water catchment, controlling soil erosion, connecting biological corridors, carbon sequestration for climate change mitigation and the purification of the water we drink and the air we breathe, and that the role played by our forest resources are appreciated by the people of Fiji.

The project was tasked to plant 500ha of degraded areas this financial year. With a budget allocation of \$500,000.00, the team managed to afforest/reforest 506ha of degraded land. 28.71% of the achievement was from the Northern Division, 17.38% was from the Central/Eastern Division and 55.1% was from the Western Division.

Graph 13: Planting achievement from each Division (Ha)



RDF Awareness

The Project also participated in the dissemination of Sustainable Forest Management and Reforestation information to the communities listed below.

Table 28: Awareness to Communities

Divisional Forestry Office	Communities	Thematic areas	Responsible officer
Central Eastern Division	1.Tacirua communities	1. Importance of reserve	RDF PO & Parks and Reserve Teams
	2.Tuatua Community (Caubati)	2. Reforestation programme	RDF PO & Parks and Reserve Teams
	3.Nacamaki (Vesisisida)	3. Forest Cover rehabilitation for Koro island	RDF PO & Parks and Reserve Teams
	4.Vunibau	4. Native species importance	RDF PO & Parks and Reserve Teams
	5.Vunivaivai	5. Reserve and parks	RDF PO
		6. Forest Cover rehabilitation for Koro island	RDF PO
		7. Native species importance	
		8. Reserve and parks	
		9. Reforestation programme and its importance	
		10. Reforestation programme.	
Western Division	6.Navatu	1. Reforestation	RDF PO
	7.Semo	2. Sustainable Forest management	RDF Project and extension team Western team
	8.Koro (Ba)	1. Reforestation	
	9.Nadrugu	2. Sustainable forest management	
	10.Nalotawa	3. Reforestation	RDF PO and FTC staff
	11.Korobebe	4. Water catchment restoration	RDF PO and FTC staff
	12.Nabukadra	5. Sustainable forest management	RDF PO and FTC staff
	13.Soa	6. Reforestation	RDF PO and FTC staff
		7. Water catchment restoration	RDF PO & Parks and Reserve Teams
		8. Sustainable forest management	RDF PO & Parks and Reserve Teams
		9. Reforestation	
		10. Water catchment restoration	
		11. Sustainable Forest management	
		12. Reforestation	
		13. Water catchment restoration	
		14. Sustainable Forest management	
		15. Reforestation	
		16. Nursery management	
		17. Sustainable Forest management	
		1. Reforestation	
		2. Nursery management	
		3. Sustainable Forest management	
Northern Division	14.Mali island (Tikina)	1. Reforestation	RDF & Extension team Northern Division
	15.Kioa Island	2. Sustainable Forest Management Training	RDF & Extension team Northern Division
	16.Baleyanaga	3. Sandalwood training	
	17.Savusavuutaqa	4. Reforestation	
	18.Nacereyaga / Nukusa	5. Water catchment restoration	RDF & Extension team Northern Division
	19.Nakawaqa	6. Sustainable Forest Management Training	RDF & Extension team Northern Division
	20.Galoa , Udu	7. Seed sowing training	RDF & Extension team Northern Division
	21.Nabalabalawa	8. Reforestation	RDF & Extension team Northern Division
		9. Sustainable Forest management training.	RDF & Extension team Northern Division
		10. Sandalwood seed training	RDF & Extension team Northern Division
		11. Reforestation	RDF & Extension team Northern Division
		12. Sustainable Forest management training.	RDF & Extension team Northern Division
		13. Sandalwood seed training	RDF & Extension team Northern Division
		1. Reforestation	
		2. Sustainable Forest management training.	
		3. Sandalwood seed training	
		4. Reforestation	
		5. Water catchment restoration	
		6. Sustainable Forest management training.	
		7. Sandalwood seed training	
		8. Reforestation	
		9. Sustainable Forest management training.	
		10. Sandalwood seed training	
		11. Reforestation	
		12. Sustainable Forest management training.	
		13. Sandalwood seed training	

From the 21 community awareness sessions carried out, five were conducted by the Central Eastern Division, eight by the Western Division and eight by the Northern Division.

Other highlights of the RDF Project during the 2016-2017 Financial Year:

1. 2017 International Day of Forest with the theme “Forest and Energy”. The project has been instrumental in coordinating this national event, which was celebrated on 21 March 2017 at Tuvu Primary School in Lautoka, in which Native trees were planted beside the school as the land was identified as a degraded area. Permanent Secretary for Fisheries & Forests and the Permanent Secretary for Education were the Chief Guests at the event.
2. Development of Partnership with Business houses and cooperate bodies on reforestation initiatives.
3. Participating in Reforestation and Sustainable Forest management radio talkback shows.
4. Mangrove planting on various coastline



Opening ceremony of the IDOF 2017 celebration in the Western Division.

ITTO Project – Community based restoration & sustainable management of vulnerable forests of the Rewa Delta, Viti Levu

This project, which started in 2015, is one of the Ministry's internationally funded projects with the aim of sustainably managing coastal and Mangrove forest areas. The project is also supported by the University of the South Pacific, the Conservation International and the Secretariat of the Pacific Communities. ITTO Project has two components for implementation and they are:

- Component 1: Community Awareness and Alternative Livelihood Options; and

- Component 2: Restoration and Rehabilitation of Degraded Coastal and Mangrove Wetland.

This year, the Project had completed its first component, which was the ‘Community Awareness and Alternate Livelihood Options’ for all its six Project sites around the Rewa Delta, and is currently undertaking its second component. Additionally, a Management Action Plan and a Land Use Mapping Plan have also been successfully designed for the respective Project sites. Furthermore, the training focused its activities in four main areas:

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

A water initiative programme is also in progress for Natila Village. During the one-week training under Component 1 in Natila village, the training team witnessed that a major issue that the village was facing is the lack of water supply and clean drinking water.

The project is working on assisting the village with installing a water tank to supply clean drinking water to the village and also to provide water for seedlings needed to be raised and planted in the village within this implementation phase of the project. This initiative was proposed to the Water Authority of Fiji and the Commissioner Central Office of the Ministry of Rural and Maritime Development for further collaboration.

Achievements by the ITTO Project

As far as Component 2 of the Project is concerned, the Project has achieved at least 70% of its targeted output. These included, in addition to the community trainings on tree seed collection & establishment of nursery:

1. The construction of 6 temporary nurseries;
2. The raising of coastal seedlings (which includes fruit trees and native trees);
3. Setting up of ITTO billboards on all project sites;
4. Participating in Talkback shows on Radio Fiji 2 on Mangrove restoration and Conservation;
5. Publication of ITTO Project on the newspaper;
6. Commencement of planting phase on 3 of the villages [species include Sandalwood, Mahogany, Coconut, Breadfruit, Rose apple, Kumquat, Hybrid mango, Sour sop, Thailand guava];
7. Appointment of nursery attendant; Signing of Contractual Agreement with the attendant who receives payment of \$54.00/fortnight;
8. Visit by the International National Project Managers; and
9. The 2nd Steering Committee meeting.



FOREST PARKS, RECREATION AND RESERVES

The Forest Parks Division is responsible for the establishment, management, and maintenance and enhancing of the use of forest parks and reserves. The Division also creates awareness on forest education and promotes resource conservation, restoration ecology and watershed and amenities planting.

Forest Reserves

The table below depicts the overall activities achieved by the Division of Forest Park and Reserves unit for the annual event of August 2016 – July 2017.

Table 29: 2016-2017 Achievements



TYPE OF REPORT	OUTCOME ACTIVITIES	RESULTS %
Korotari Report	Boundary Demarcation and Forest reserves land clarification	75
Taveuni Report	Taveuni forest reserve reconnaissance and Forest Park establishment verification at Lamini Taveuni	75
Nawadamu Report	Forest Reserve land acquisition	100
Tomaniivi Report	Track clearance and boundary demarcation	100
Wabu Report	Forest boundary demarcation	100
CIS park Network Awareness Report	Awareness of the Importance on reserve forests to the landowners	80
Kiobo Report	Forest Park inspection	100

Colo-i-Suva Forest Park

The Division continued to promote and educate the importance of protecting the natural resources to the public, such as the Colo-i-Suva Forest Park. Maintenance of the park and its facilities including tracks and trails, continued to ensure the safety of all park users.

Colo-i-Suva Park, as a popular local picnic spot, was visited by 41,893 visitors (locals and tourists) and earned a total of \$118,486 in revenue (entry fees) from August 2016 to July 2017. Refer to Table 30 below.

Table 30: August 2016 – July 2017 Visitor & Revenue Summary



Aug 2016 – Jul 2017 Summary			
Year	Month	Total Visitors	Total Revenue [FJD]
2016	Aug	1,852	5,741
	Sept	1,656	3,028
	Oct	3,559	8,198
	Nov	3,590	14,796
	Dec	7,214	22,413
2017	Jan	6,569	18,312
	Feb	2,998	9,423
	Mar	3,382	10,158
	Apr	3,963	10,877
	May	1,443	3,542
	Jun	3,026	5,523
	Jul	2,641	6,475
Total		41,893	118,486

Queens Commonwealth Canopy Award

Fiji, through the Ministry of Forestry, received Her Majesty's Commonwealth Canopy Award during this financial year for the dedication of the Colo-i-Suva Forest Park. This Award was received by His Excellency, the President of the Republic of the Fiji Islands. The Queens Commonwealth Canopy Award is a promotion of Forest Conservation in Commonwealth countries.



Queens Commonwealth Canopy Award received by His Excellency, the President of the Republic of the Fiji Islands and the Minister for Forestry.

Nature and 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 Ministry 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 for 2015 was conducted on four Forest Reserves which included the reserves of Colo-i-Suva, Savura, Lololo and Saru Creek. Activities mainly included boundary maintenance and demarcation. Annual lease payments for all reserves totaled to \$66,426.14.

Table 31: Forest Reserves

No.	Location/Name	Province	Year Established	Area (HA)
1	Taveuni	Cakaudrove	1914	11,290.7
2	Buretolu	Ba	1926	1,197.9
3	Nadarivatu – Nadala	Ba	1954	7,400.7
4	Maranisaqa & Wainiveitoa	Naitasiri	1955	77.3
5	Qoya	Rewa	1955	67.2
6	Tavua	Ba	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
14	Lololo	Lautoka	1968	8.3
15	Naboro	Rewa	1969	19.0
16	Saru Creek	Lautoka	1973	3.2
17	Wabu	Ba	1992	2,907.0
Total				29,059.6



Table 32: Nature Reserves

No.	Location/Name	Province	Year Established	Area (HA)
1	Nadarivatu	Ba	1956	93.08
2	Tomaniivi	Ba	1958	1,323.33
3	Naqaranibuluti	Ba	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 33: 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	Ba	1970	1.0
4	Saweni beach	Ba	1970	0.5
5	Lomolomo	Ba	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	Ba		
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	Ba	1993	210.0
17	Lavena Coastal Walk & Nature Attractions	Taveuni	1994	
Total				17,004.5



APPENDICES

APPENDIX 1: AUDITED FINANCIAL STATEMENT FOR AUG 2016-JUL 2017



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Suva, Fiji

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File Ref: 436

18 September 2018

The Honourable Semi Koroilavesau
Minister for Fisheries
Takayawa Building
SUVA

Dear Honourable Koroilavesau

MINISTRY OF FISHERIES AND FORESTS

AUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2017

The audited financial statements for the Ministry of Fisheries and Forests for the year ended 31 July 2017 together with my audit report on them are enclosed.

Particulars of the errors and omission arising from the audit were forwarded to the management of the Ministry for necessary comments on 22 March 2018 and 16 April 2018. Despite several follow-ups, we are yet to receive a response.

Yours sincerely

Ajay Nand
AUDITOR-GENERAL

cc: Mr. Naipote Katonitabua, The Acting Permanent Secretary, Ministry of Fisheries

Encl.

MINISTRY OF FISHERIES AND FORESTS
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2017

MINISTRY OF FISHERIES AND FORESTS
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2017

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INDEPENDENT AUDITOR'S REPORT

MINISTRY OF FISHERIES AND FORESTS

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 Account Statement of Receipts and Payments for the year ended 31 July 2017, and notes to and forming part of the financial statements, including a summary of significant accounting policies.

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

Basis for Qualified Opinion

Operating Fund Account

1. Expenditures amounting to \$276,181 were not recorded in the Statement of Receipts and Expenditures for the year ended 31 July 2017. This amount relates to unrecorded expenditures of \$191,147 paid from Standard Liability Account 84 and retired Accountable Advances of \$85,034 for the current year which were not cleared from the Revolving Fund Account. As a result, the expenditure balance of \$23,012,137 for the year ended 31 July 2017 is understated by \$276,181.

Trading and Manufacturing Account

2. There is an unreconciled variance of \$104,597 between the bank reconciliation and the Cash at Bank general ledger balance. Consequently, I am not able to confirm the accuracy and completeness of the Cash at Bank balance of \$1,896,419 recorded in the TMA Balance Sheet as at 31 July 2017.
3. The Ministry paid a sum of \$2.5 million to the Trading and Manufacturing Activity (TMA) account from its operating budget for the purpose of salvaging logs after Tropical Cyclone Winston. Of this amount, a sum of \$301,451 was utilised for this purpose in 2017 leaving a balance of \$2,198,459 as at 31 July 2017. The cash at bank balance of \$1,896,419 recorded in the TMA Balance Sheet is not sufficient to support the remaining balance of \$2,198,459.
4. The Ministry recorded total expenses of \$1,288,574 in the TMA - Profit and Loss Statement for the year ended 31 July 2017. The Ministry was not able to provide documentations to support expenditures totalling \$515,515. As a result, I was not able to verify the accuracy and completeness of the total expenses recorded in the Profit and Loss Statement.
5. The Ministry recorded sales of \$1,161,623 in the TMA - Trading Account for the year ended 31 July 2017. The Ministry was not able to provide documentations to support transactions totalling \$306,623. As a result, I was not able to verify the accuracy of the Sales amount recorded in the Trading Account.

INDEPENDENT AUDITOR'S REPORT (Cont'd)

Trust Fund Account

6. The Ministry did not maintain a detailed listing of the beneficiaries of the Trust Accounts. Consequently, I was not able to substantiate the completeness of the closing balances of \$190,095 reflected in the Statement of Receipts and Payments for the Trust Fund Account.

Emphasis of Matters

Without qualifying the above opinion, attention is drawn to the following:

- The Ministry did not carry out a board of survey to verify the existence and condition of the assets under its authority contrary to Section 49 of the Finance Instruction 2010
- The TMA account continue to operate at a loss for eight consecutive years from 2010
- There was an overall excess of liabilities over assets of \$111,344 in the TMA balance sheet as at 31 July 2017.

I conducted my audit in accordance with International Standards on Auditing (ISA). My responsibilities under those standards are further 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 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 opinion.

Responsibilities of the Management and Directors for the Financial Statements

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

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 or 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.

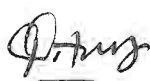
As part of an audit in accordance with ISA, I exercise professional judgment and maintain professional scepticism throughout the audit. I also:

- 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.

INDEPENDENT AUDITOR'S REPORT (Cont'd)

- 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 Ministry's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

I communicate with the management and directors 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
18 September 2018


**MINISTRY OF FISHERIES AND FORESTS
MANAGEMENT CERTIFICATE
FOR THE YEAR ENDED 31 JULY 2017**

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 2017; and
- (b) have been prepared in accordance with the requirements of the Financial Management Act 2004, the Finance Instructions 2010 and Finance (Amendment) Instructions 2016.


.....
Mr. Najpote Klatonitabua
Acting Permanent Secretary
Ministry of Fisheries

Date:
29/08/2018
.....


.....
Ms. Bernadette Welch
Acting Permanent Secretary
Ministry of Forests

Date:
31/9/18
.....


.....
Maciu Waqa
Principal Accounts Officer

Date:
03/9/18
.....

MINISTRY OF FISHERIES AND FORESTS
STATEMENT OF RECEIPTS AND EXPENDITURE
FOR THE YEAR ENDED 31 JULY 2017

	12 months 31 July 2017 (\$)	7 months 31 July 2016 (\$)
REVENUE		
STATE REVENUE		
Native Timber Measurement	332,913	228,092
Fees and Land Survey	1,137	---
Vessel Registration	4,994	7,034
Fishing Licence	23,922	13,799
Sale of Fish & Ice	389,814	232,490
Miscellaneous Revenue	312,268	156,146
Drying and Storage Facilities	---	263
Offshore Fisheries Management Fees	701,848	396,663
Offshore Fisheries Access Fees	465,921	107,666
Offshore Fisheries Application Fees	37,588	13,387
Offshore Fisheries Fees	156,881	79,835
Offshore Fisheries Related Activity Fees	105,184	56,770
Offshore Fisheries Miscellaneous Fees	19,155	11,496
Offshore Fisheries Permitting Fees	127,372	52,404
Offshore Fisheries Authorisation to Charter Fees	3,073	238
Offshore Fisheries Record Fees	36,584	32,419
TOTAL REVENUE	2,718,654	1,388,702
EXPENDITURE		
OPERATING EXPENDITURE		
Established Staff	7,368,289	4,801,264
Government Wage Earners	2,589,736	1,278,765
Travel & Communication	652,581	412,304
Maintenance and Operations	2,251,312	1,791,308
Purchase of Goods & Services	1,009,182	779,516
Operating Grants & Transfers	767,116	690,517
Special Expenditure	1,639,374	955,788
TOTAL OPERATING EXPENDITURE	16,277,590	10,709,462
CAPITAL EXPENDITURE		
Capital Construction	5,335,191	4,824,823
Capital Purchases	420,869	539,040
TOTAL CAPITAL EXPENDITURE	5,756,060	5,363,863
Value Added Tax	978,487	841,512
TOTAL EXPENDITURE	23,012,137	16,914,837

MINISTRY OF FISHERIES AND FORESTS
APPROPRIATION STATEMENT
FOR THE YEAR ENDED 31 JULY 2017

SEG	Item	Budget Estimate (\$)	Appropriation Changes (Note 5) (\$)	Revised Estimate (\$)	Actual Expenditure (\$)	Carry Over (\$)	Lapsed Appropriation (\$)
	Operating Expenditure						
1	Established Staff	7,468,758	(98,086)	7,370,672	7,368,289	---	2,383
2	Government Wage Earners	1,901,012	694,009	2,595,021	2,589,736	---	5,285
3	Travel & Communication	684,578	(28,918)	655,660	652,581	---	3,079
4	Maintenance & Operations	2,404,240	(125,292)	2,278,948	2,251,312	---	27,636
5	Purchase of Goods & Services	1,073,830	(47,818)	1,026,012	1,009,182	---	16,830
6	Operating Grants & Transfers	804,524	(37,407)	767,117	767,116	---	1
7	Special Expenditure	3,288,729	(127,099)	3,161,630	1,639,374	---	1,522,256
	Total Operating Expenditure	17,625,671	229,389	17,855,060	16,277,590	---	1,577,470
	Capital Expenditure						
8	Capital Construction	7,825,040	(249,615)	7,575,425	5,335,191	---	2,240,234
9	Capital Purchases	400,000	23,108	423,108	420,869	---	2,239
	Total Capital Expenditure	8,225,040	(226,507)	7,998,533	5,756,060	---	2,242,473
13	Value Added Tax	1,210,200	(2,882)	1,207,318	978,487	---	228,831
	TOTAL EXPENDITURE	27,060,911	---	27,060,911	23,012,137	---	4,048,774

MINISTRY OF FISHERIES AND FORESTS
TMA – MANUFACTURING ACCOUNT - TIMBER UTILIZATION DIVISION
FOR THE YEAR ENDED 31 JULY 2017

	12 months 31 July 2017 (\$)	7 months 31 July 2016 (\$)
Opening Raw Materials	16,791	7,322
<i>Add: Purchases</i>	---	---
	<u>16,791</u>	<u>7,322</u>
<i>Less: Closing Raw Materials</i>	178,541	16,791
Raw Materials Used	<u>(161,750)</u>	<u>(9,469)</u>
<i>Add: Direct Labour</i>	202,131	52,087
Cost of Goods Manufactured transferred to Trading Account	<u>40,381</u>	<u>42,618</u>

MINISTRY OF FISHERIES AND FORESTS
TMA – TRADING ACCOUNT - TIMBER UTILIZATION DIVISION
FOR THE YEAR ENDED 31 JULY 2017

	12 months 31 July 2017 (\$)	7 months 31 July 2016 (\$)
Sales	1,161,623	54,141
	1,161,623	54,141
Opening Finished Goods	1,229	2,599
Add: Cost of Manufactured Goods	40,381	42,618
	41,610	45,217
Less: Closing Finished Goods	21,770	1,229
Cost of Goods Sold	19,840	43,988
Gross Profit transferred to Profit & Loss Statement	1,141,783	10,153

MINISTRY OF FISHERIES AND FORESTS
TMA -- PROFIT AND LOSS STATEMENT - TIMBER UTILIZATION DIVISION
FOR THE YEAR ENDED 31 JULY 2017

	12 months 31 July 2017 (\$)	7 months 31 July 2016 (\$)
Income		
Gross profit transferred from Trading Account	1,141,783	10,153
Total Income	1,141,783	10,153
Expenses		
Maintenance & Operations	1,288,462	3,990
Other Expenses	---	39,273
Special Expenses	112	---
Total Expenses	1,288,574	43,263
Net Loss	(146,791)	(33,110)

MINISTRY OF FISHERIES AND FORESTS
TMA – BALANCE SHEET - TIMBER UTILIZATION DIVISION
AS AT 31 JULY 2017

	12 months 31 July 2017 (\$)	7 months 31 July 2016 (\$)
Assets		
Cash at Bank	1,896,419	2,548,201
Raw Materials	178,541	16,792
Accounts Receivable	---	5,745
Finished Goods	21,770	1,229
Total Assets	2,096,730	2,571,967
Liabilities		
Deferred Income	2,198,548	2,500,000
Deposits & Deductions	9,526	36,520
Total Liabilities	2,208,074	2,536,520
Net Assets	(111,344)	35,447
Equity		
TMA Accumulated Loss	(194,399)	(161,289)
Net Loss for the period	(146,791)	(33,110)
	(341,190)	(194,399)
Transfers to Consolidated Fund	229,846	229,846
Total Equity	(111,344)	35,447

MINISTRY OF FISHERIES AND FORESTS
STATEMENT OF LOSSES
FOR THE YEAR ENDED 31 JULY 2017

Loss of Money

There was no loss of money recorded for the year ended 31 July 2017.

Loss of Revenue

There was no loss of revenue recorded for the year ended 31 July 2017.

Loss of Fixed Assets

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

Assets	Amount (S)
Office Equipment	11,733
Furniture and Fittings	10,440
Field Equipment	46,077
Total	68,250

MINISTRY OF FISHERIES AND FORESTS
TRUST ACCOUNT – 1/3 SUBSIDY SCHEME – STATEMENT OF RECEIPTS AND PAYMENTS
FOR THE YEAR ENDED 31 JULY 2017

	Note	12 months 31 July 2017 (\$)	7 months 31 July 2016 (\$)
RECEIPTS			
One - third Subsidy Contribution		47,677	112
Total Receipts		47,677	112
PAYMENTS			
Retention Money		49,478	1,824
Bank Fees Charges		26	---
Total Payments		49,504	1,824
Deficit		(1,827)	(1,712)
Opening Balance as at 1 August 2016		191,922	193,634
Closing Balance as at 31 July	6	190,095	191,922

MINISTRY OF FISHERIES AND FORESTS
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2017

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 and carbon trading in the forestry sector.

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

The Ministry 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 requirements of Section 71(1) of the Finance Instructions 2010 and Financial Management Act 2004. 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 Economy. 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 Service (FRCS). Actual amount paid to FRCS during the year represents the difference between VAT Output and VAT Input.

MINISTRY OF FISHERIES AND FORESTS
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 JULY 2017

NOTE 2 STATEMENT OF ACCOUNTING POLICIES (continued)

c) Comparative Figures

The Ministry of Fisheries and Forests changed its reporting period from 1st August 2016 to 31st July 2017 as per the Ministry of Economy Circular number 04/2017 due to the change in the whole of government reporting period.

Hence, the 2016 - 2017 financial reporting is for the 12 months effective from 1st August 2016 to 31st July 2017. In comparison, the 2016 financial reporting is for 7 months effective from 1st January to 31st July 2016.

d) 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, the current financial result (Fiscal 2017) can be prorated by dividing the respective figure by twelve (12) and multiplying by seven (7); compared to the corresponding result for the previous financial period (Fiscal 2016) consisting of seven (7) months only (January to July 2016).

NOTE 4: APPROPRIATION MOVEMENTS

Appropriation movements were made through virements as follows:

Virement No.	From	Amount (\$)	To	Amount (\$)	Approved by
V32001	SEG 01	144,467	SEG 02	144,467	Permanent Secretary for Economy
V32002	SEG 08	22,459	SEG 08	22,459	Permanent Secretary for Economy
V32003	Various	328,598	SEG 01	328,598	Minister for Economy
		471,729	SEG 02	471,729	
V32004	SEG 08	23,108	SEG 09	23,108	Permanent Secretary for Economy
V32005	SEG 08	77,813	SEG 02	77,813	Minister for Economy
	SEG 09	39,886	SEG 01	39,886	
DV3201	SEG 01	36	SEG 03	36	Permanent Secretary for Fisheries and Forests
	SEG 01	157	SEG 04	157	
	SEG 01	9,851	SEG 05	9,851	
DV3202	SEG 07	2,885	SEG 03	2,885	Acting Permanent Secretary for Forests
	SEG 07	8,565	SEG 04	8,565	
	SEG 07	141	SEG 05	141	

MINISTRY OF FISHERIES AND FORESTS
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 JULY 2017

NOTE 5: TRADING AND MANUFACTURING ACTIVITY

The Trading and Manufacturing Activity consists of commercial undertaking of processed timber and furniture's as reported above.

The Ministry of Forests TMA Unit is currently under investigation by Fiji Independent Commission Against Corruption (FICAC). Payment Vouchers and other correspondences relating to the TMA have been uplifted by FICAC Officers for investigation.

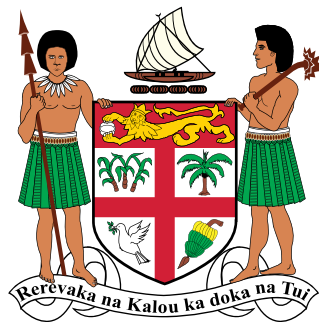
NOTE 6: TRUST ACCOUNT -- FISHERIES 1/3 SUBSIDY SCHEME

The Trust Fund Account was opened for the 1/3 subsidy scheme by the government for the purchase of boat and engine for fishermen.

The scheme which operated in the Fisheries Department was closed in 2009. Currently the Trust Fund Account is used for retention money.

[illegible]

[illegible]



Comments and enquiries should be directed to:
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Ministry of Forestry
Level 3 Takayawa Building
Suva, Fiji

Telephone: (+679) 3301 611

Facsimile: (+679) 3318 692

Website: www.forestry.gov.fj

