



STANDING COMMITTEE ON NATURAL RESOURCES

2014 & 2015 CONSOLIDATED ANNUAL REVIEW OF THE DEPARTMENT OF FORESTRY



Parliament of the Republic of Fiji
Parliamentary Paper No: 33/2018

March 2018
Published and Printed by the Department of Legislature, Parliament House, Suva.



2014 & 2015 Consolidated Annual Review of the Department of Forestry

Report of the Standing Committee on Natural Resources

Table of Contents

Chair's Foreword	3
Recommendation	3
1.0 Introduction	3
2.0 Gender Analysis.....	4
3.0 Way Forward.....	4
4.0 Conclusion.....	5
5.0 Acronyms.....	5
Appendix 1	
1.0 Committee Procedure	6
2.0 Committee Members.....	6
3.0 Evidence and Advice Received.....	6
Appendix 2	
4.0 Committee Findings & Deliberations.....	8
4.1 Comparative Analysis of the 2014 and 2015 Annual Reports.....	8
4.1.1 Native Forest Cover (Hectares).....	8
4.2 Committee Analysis.....	8
4.2.1-4.2.1.4 Native Forest-Western Division.....	8-9
4.2.2-4.2.2.4 Native Forest- Central Division.....	9
4.2.3-4.2.3.4 Native Forest- Northern Division.....	9-10
4.2.4-4.2.4.5 Native Forest- Eastern Division.....	10-11
5.0 Pine Forests Comparative Analysis	11
5.1 Committee Analysis.....	11
5.1.1-5.1.5 Pine Forest Cover- Western Division.....	11
5.2-5.2.1 Pine Forest Cover- Central Division.....	11-12
5.3-5.3.4 Pine Forest Cover- Northern Division.....	12
5.4-5.4.4 Pine Forest Cover-Eastern Division.....	12-13
6.0 Mahogany Forest Cover.....	13
6.1 Committee Analysis.....	13
6.2 Mahogany Forest Cover- Western Division.....	13
6.3 Mahogany Forest Cover- Central Division.....	13

6.4 Mahogany Forest Cover- Northern Division.....	14
6.5 – 6.5.1 Mahogany Forest Cover- Eastern Division.....	14
7.0 Mangrove Forests.....	14
7.1 Committee Analysis.....	14
7.2 Mangrove Forest -Western Division.....	14
7.3 Mangrove Forest -Central Division.....	15
7.4 Mangrove Forest- Northern Division.....	15
7.5 – 7.5.2 Mangrove Forest – Eastern Division.....	15
8.0 Forest Production Data.....	15
8.1 Natural Forest.....	15
8.2 Committee Analysis.....	16
8.3 Mahogany Forests.....	16
8.4 – 8.4.1 Committee Analysis.....	16
8.5 Pine Forests.....	17
8.6 – 8.6.1 Committee Analysis.....	17
9.0 National Log Production.....	17
9.1 – 9.2.1 Native Forests.....	17-18
9.3 Mahogany Forests.....	18
9.4 – 9.4.1 Committee Analysis.....	18
10.0 Pine Forests.....	18
10.1- 10.1.2 Committee Analysis.....	18
11 Divisional Boundaries.....	19
12. Staff.....	19
13. Budgetary Allocation & Expenditure.....	19
14. Audit Report.....	19
15. Forestry Capital Projects.....	19
16. Government Services.....	20
16.1 – 16.1.1 Timber Processing.....	20
17. Monitoring, Compliance and Surveillance.....	20
18. Forest Resource Assessment.....	20
19. Reducing Emissions from Deforestation and Forest Degradation.....	20-21
20. Education and Training.....	21
21. Sustainable Forest Management Training.....	21
22. Sandalwood Development Program.....	21
23. Pine Woodlot Package.....	21
24. Support and Income Generating Forestry Through Subsidy	21-22
25. Forest Subsidy Program.....	22
26. Pine Resin Extraction in Lakeba, Lau.....	22
27. Community Forest Development.....	22
28. Forest Parks, Recreation and Reserves.....	23
29. List of Portable Sawmills.....	23
Appendix 3 - Verbatim	

Chair's Foreword

I stand to present the review of the Standing Committee on Natural Resources on the Department of Forestry 2014 and 2015 Annual Reports.

The Standing Committee on Natural Resources is a Standing Committee established under Section 109 (2) (c) of the Parliament of the Republic of Fiji Standing Orders (SO). The Committee is mandated to examine matters related to forestry, agriculture, mining, environment, fisheries, water and marine services.

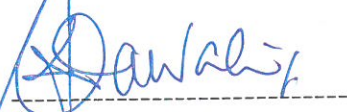
The purpose of the review was to scrutinise the Department of Forestry 2014 and 2015 Annual Reports; to compare and to analyse the performance of the Department in terms of its administration, legislation, organisation structure, financial management, functions and programs.

The Committee noted a number of inconsistencies and discrepancies in the figures tabled in the two reports and recommends that the 2014 and 2015 Annual Reports for the Department of Forestry be withdrawn from Parliament and returned to the Department.

The Committee in its review process has identified areas of concern that the Department will need to clarify and validate to assist the Department's management, extension and service delivery to all forestry stakeholders. The review exercise was made possible through consultations with the Ministry of Forestry.

I extend the appreciation to the Honourable Members and the Secretariat who were involved in the production of this bipartisan report. My Committee colleagues are Hon. Alivereti Nabulivou (Deputy Chairperson), Hon. Ro Kiniviliame Kiliraki (Member), Hon. Samuela Vunivalu (Member) and Hon. Jiosefa Dulakiverata (Member) and Hon. Salote Radrodoro (alternate member for Hon. Jiosefa Dulakiverata).

On behalf of the Standing Committee on Natural Resources, I commend these Reports to Parliament.



Hon. Joweli R Cawaki
Chairperson.

Recommendation

The Committee recommended that the 2014 and 2015 Annual Reports for the Department of Forestry be withdrawn from Parliament and returned to the Ministry.

1.0 Introduction

The Department of Forestry Annual Reports for 2014 and 2015 was tabled to Parliament on Monday, 24th April, 2017 and referred to the Standing Committee on Natural Resources on the same date.

The Committee during its deliberation and scrutiny of the two Annual Reports, noted the discrepancies and inconsistencies of the figures tabled in the reports (refer to the annex attached). The Committee also noted that there was no explanation to justify the inconsistencies in the 2014 and 2015 Annual Reports.

2.0 Gender Analysis

The Committee noted the participation of women in some of the forestry industry program, especially the involvement of women with the sandalwood resourced development programs.

Also noted, the participation of women in the International Tropical Timber Organisation project (ITTO) - Community based Restoration & Sustainable Management of Vulnerable Forests of the Rewa Delta.

3.0 Way Forward

3.1 The Committee recommends the following as the way forward for the Department:

3.1.1 That the Department to review the 2014 and 2015 Annual Reports incorporating the two sets of measurement methodologies, one set of figures for Forest Functions and one set of figures for Forest Productions.

3.1.2 That the determination of Divisional boundaries to be consistent with the other government departments, namely Central Division, Eastern Division, Northern and Western Division.

4.0 Conclusion

The Committee concludes that with the above findings, it is recommended that the 2014 and 2015 Annual Reports be returned to the responsible Ministry for their appropriate action and resubmission to Parliament.

5.0 Acronyms

REDD PLUS	Reducing Emissions from Deforestation and Forest Degradation
FCFP	Fiji Carbon Facility Program
TPO's	Timber Production Officers
ITTO	International Tropical Timber Organisation
SCARF	Seed Capital Revolving Fund
SME	Small Medium Enterprise
FPC	Fiji Pine Commission
CSO	Civil Societies Organisation
SPCI	South Pacific Conservation International
SPC	Secretariat of the Pacific Community

APPENDIX ONE

1.0 Committee Procedure

The Committee met on Thursday 20th July 2017, to consider the annual review of the 2014 and 2015 Department of Forestry. The Committee received submissions from the Permanent Secretary and Senior Officials of the Ministry of Forestry.

2.0 Committee Members

The members of the Standing Committee on Natural Resources:

1. Hon. Joweli R Cawaki, Chairperson, Assistant Minister for Rural and Maritime Development and National Disaster Management;
2. Hon. Alivereti Nabulivou, Deputy Chairperson, Government MP;
3. Hon. Ro Kiniviliame Kiliraki, Member, Opposition MP;
4. Hon. Samuela Vunivalu, Member, Government MP;
5. Hon. Jiosefa Dulakiverata, Member, Opposition MP.

3.0 Evidence and Advice Received

The Permanent Secretary and Senior Officials of the Ministry were invited to present its annual reports for 2014 and 2015 to the Committee on Thursday 20th July, 2017 in Parliament.

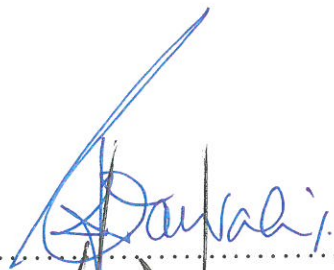
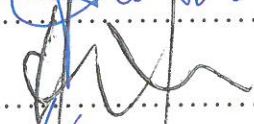
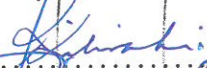
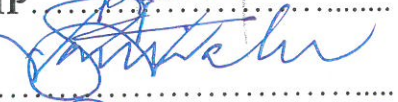
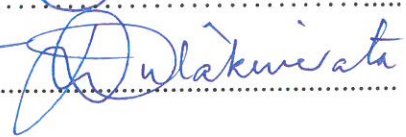
It was highlighted by the Permanent Secretary for Forestry during his submission to the Committee Members in Parliament, that there were two different methods of measurement which contradicts with each other.

The Committee, according to the explanation provided by the Permanent Secretary, these reports were based on different measurement methods. The 2014 report is based on Forest Functions and 2015 is based on Forest Productions. There was no explanation given in both reports in regards to the mode of measurements used

The Committee felt that in terms of consistency of figures presented, both reports should reflect both sets of measurement figures. One set of figures for Forest Function and the other set of figures for Forest Production. This is the cause of confusion, anomalies and discrepancies of figures presented by the Department of Forest.

Please refer to page 4 of the verbatim dated Thursday 20th July, 2017. (Refer to Annexure 3).

Committee Members Signature:

1. Hon. Joweli R Cawaki, **Chairperson**.....
2. Hon. Alivereti Nabulivou, **Deputy Chairperson**.....
3. Hon. Ro. Kiniviliame Kiliraki, **Member, MP**.....
4. Hon. Samuela Vunivalu, **Member, MP**.....
5. Hon. Jiosefa Dulakiverata, **Member, MP**.....

APPENDIX TWO

4.0 Committee Findings and Observations

4.1 Comparative Analysis of the 2014 & 2015 Annual Reports.

4.1.1 Native Forest Cover (Hectares)

	WESTERN	CENTRAL	NORTHERN	TOTAL	%
2014	341,625	314,360	227,170	883,156	82
2015	125,349	226,794	174,310	526,453	75
VARIANCE	- (216,276)	- (87,566)	- (52,860)	- (356,703)	- (7)

4.2 Committee Analysis

4.2.1 Native Forests Western Division

Native Forests cover from 341, 625 hectares in 2014 to 125,349 hectares in 2015.

- 4.2.1.1 The Committee noted the 216,276 hectares and how the variation was made through either logging or other activities or disasters.
- 4.2.1.2 The Committee noted the vast difference in figures and how the 216,276 hectares of forest cover for the Western Division had gone to but was not reflected in the logging and production figures.
- 4.2.1.3 The Committee noted how the variance was reflected in the budget allocation.

- 4.2.1.4 The Committee noted that the areas of native forest cover were substantiated.

4.2.2 Native Forests Central Division

Native Forests cover from 314,360 hectares in 2014 to 226,794 hectares in 2015. The Committee noted the 87,566 hectares variation through logging or other activities or disasters.

- 4.2.2.1 The Committee noted how the 216,276 hectares and the how the variation was made through logging or other activities or disasters.
- 4.2.2.2 The Committee noted how the vast difference in figures and where the 216,276 hectares of forest cover for the Central Division had gone to but was not reflected in the logging and production figures.
- 4.2.2.3 The Committee noted how the variance was reflected in the budget allocation.
- 4.2.2.4 The Committee noted how these areas of native forest cover were substantiated.

4.2.3 Native Forests Northern Division

Native Forests cover from 227,170 hectares in 2014 to 174,310 hectares in 2015. The Committee noted the 52,860 hectares variation through logging or other activities or disasters.

- 4.2.3.1 The Committee noted how the 216,276 hectares variation and how the variations was made through logging or other activities or disasters.

- 4.2.3.2 The Committee noted a vast difference in figures and where the 216,276 hectares of forest cover for the Northern Division had gone to but was not reflected in the logging and production figures.
- 4.2.3.3 The Committee noted how the variance was reflected in the budget allocation.
- 4.2.3.4 The Committee noted how these areas of native forest cover were substantiated.

4.2.4 Native Forests Eastern Division

There is no report on volume of forests cover for the Eastern Division for 2014 and 2015.

- 4.2.4.1 The Committee noted how the 216,276 hectares variation and whether the variations was through logging or other activities or disasters.
- 4.2.4.2 The Committee noted how the vast difference in figures and where the 216,276 hectares of forest cover for the Western Division had gone to but was not reflected in the logging and production figures.
- 4.2.4.3 The Committee noted how the variance was reflected in the budget allocation.
- 4.2.4.4 The Committee noted how these areas of native forest cover were substantiated.
- 4.2.4.5 The Committee noted that the figures stated in the 2014 and 2015 Annual Reports and believe there are anomalies and discrepancies. The variation figures have to be substantiated

for consistencies and should be realistic reflecting the true native forest cover status on the ground.

5.0 Pine Forests

	WESTERN	CENTRAL	NORTHERN	TOTAL	%
2014	42,431	6,367	29,117	77,915	7
2015	42,431	4,623	29,117	76,171	11
VARIANCE	0	-(1,744)	0	-(1,744)	4

5.1 Committee Analysis

5.1.1 Pine Forests Cover Western Division

Pine Forests cover was 42,431 hectares in 2014 and remained the same in 2015.

5.1.2 The Committee noted the accuracy of this statement as there have been continuous pine harvesting in the Western Division during the period.

5.1.3 The Committee noted how much of these figures is harvested from Fiji Pine Forest and how much is harvested from Native Pine Forest.

5.1.4 The Committee noted how these areas of native forest cover were substantiated.

5.1.5 The Committee noted how the Tropic Woods Industries at Drasa Lautoka sourced its pine logs from.

5.2 Pine Forests Cover Central Division

Pine Forests cover was 6,367 hectares in 2014 to 4,623 hectares in 2015. The Committee noted how the 1,744 hectares variation and how the variations was made through logging or other activities or disasters.

- 5.2.1 The Committee noted how the variance was derived from whether it is from Fiji Pine or Native Pine forests.

5.3 Pine Forests Cover-Northern Division

Pine Forests cover 29,117 hectares in 2014 and remained the same in 2015. The Committee noted the accuracy of this statement as there have been continuous pine harvesting in the Northern Division during the period.

- 5.3.1 The Committee noted the accuracy of this statement as there have been continuous pine harvesting in the Western Division during the period.
- 5.3.2 The Committee noted how much of these figures is harvested from Fiji Pine Forest and how much is harvested from Native Pine Forest.
- 5.3.3 The Committee noted how these areas of native forest cover were substantiated.
- 5.3.4 The Committee noted how the Tropic Woods Industries at Wairiki, Bua sourced its pine logs from.

5.4 Pine Forests Cover-Eastern Division

There was no report on volume of pine forests cover for the Eastern Division for 2014 and 2015.

- 5.4.1 The Committee noted that there were no production figures on pine logging in the Eastern Division as there were portable sawmills in Lakeba, Lau, Muani, Kadavu and Gau in Lomaiviti.
- 5.4.2 The Committee questioned why there was no production figures in the Eastern Division for the period.
- 5.4.3 The Committee noted that the report in page 25 of the 2015 annual report on pine woodlot logging package for Narocake Pine Scheme

and Cicia Pine Scheme was not reflected in the Pine forest cover and Pine production figures.

- 5.4.4 The Committee noted that the figures stated in the 2014 and 2015 Annual Reports and believe there are anomalies and discrepancies. The variation figures have to be substantiated for consistencies and should be realistic reflecting the true pine forest cover status on the ground.

6.0 Mahogany Forests Cover

	WESTERN	CENTRAL	NORTHERN	TOTAL	%
2014	8,873	36,961	13,714	59,548	6
2015	8,873	36,391	13,714	58,978	8
VARIANCE	0	-(570)	0	-(570)	2

6.1 Committee Analysis

6.2 Mahogany Forests Cover- Western Division

Mahogany Forests cover was 8,873 hectares in 2014 and remained the same in 2015. The Committee noted the accuracy of this statement as there have been harvesting of mahogany in the Western Division during the period.

6.3 Mahogany Forests Cover-Central Division

Mahogany Forests cover was 36,961 hectares in 2014 to 36,391 hectares in 2015. The Committee noted where the accuracy of the report as it was impossible to harvest 570 hectares in one year.

6.4 Mahogany Forests Cover-Northern Division

Mahogany Forests cover 13,714 hectares in 2014 and remained the same in 2015. The Committee noted the accuracy of this statement as there have been no harvesting of mahogany in the Northern Division during the period.

6.5 Mahogany Forests Cover -Eastern Division

There is no report on volume of mahogany forests cover for the Eastern Division for 2014 and 2015.

- 6.5.1 The Committee noted that the figures stated in the 2014 and 2015 Annual Reports and believe there are anomalies and discrepancies. The variation figures have to be substantiated for consistencies and should be realistic reflecting the true mahogany forest cover status on the ground.

7.0 Mangrove Forests

	WESTERN	CENTRAL	NORTHERN	TOTAL	%
2014	14,273	15,053	24,864	54,189	5
2015	2,823	14,914	24,864	42,601	6
VARIANCE	-(11,450)	-(139)	0	-(11,588)	1

7.1 Committee Analysis

7.2 Mangrove Forests Western Division

Mangrove Forests cover was 14,273 hectares in 2014 and 2,823 hectares in 2015. The Committee noted the accuracy of this statement as this would mean that there was harvesting totalling to 11,450 hectares in 2015.

7.3 Mangrove Forests Central Division

Mahogany Forests cover was 15,053 hectares in 2014 to 14,914 hectares in 2015. The Committee noted the accuracy of the report as it was impossible to harvest 139 hectares in 2015.

7.4 Mangrove Forests Northern Division

Mahogany Forests cover 24,864 hectares in 2014 and remained the same in 2015. The Committee noted the accuracy of this statement as there have been no harvesting of mangrove in the Northern Division during the period.

7.5 Mangrove Forests Eastern Division

There is no report on volume of mangrove forests cover for the Eastern Division for 2014 and 2015.

7.5.1 The Committee noted the figures stated in the 2014 and 2015 Annual Reports and believe there are anomalies and discrepancies. The variation figures have to be substantiated for consistencies and should be realistic reflecting the true mahogany forest cover status on the ground.

7.5.2 Volume Assessment for 2014 figures is the same as 2015.

8.0 Forest Production Data

8.1 Natural Forests

	Timber and Veneer (m ³)	Chips	Total
2014	100,000	-	100,000
2015	51,091	-	51,091
VARIANCE	-(48,909)	-	-(48,909)

8.2 Committee Analysis

The Committee noted the decrease (approx. 50%) in log production for timber and veneer in 2015 compared to 2014 for natural forests. The forest production figure for natural forest in 2014 was incorrect as shown in the table 3 of page 6 of the 2015 Annual Report.

The Committee noted the write-up for 2014 and 2015 is the same (cut and paste).

8.3 Mahogany Forests

	Timber and Veneer	Chips	Total
2014	150,000	-	150,000
2015	54,568	-	54,568
VARIANCE	-(95,432)	-	-(95,432)

8.4 Committee Analysis

8.4.1 The Committee noted the decrease (approx. 50%) in log production for timber and veneer in 2015 compared to 2014 for natural forests. The forest production figure for natural forest in 2014 was incorrect as shown in the table 3 of page 6 of the 2015 Annual Report. The write-up for 2014 and 2015 is the same (cut and paste).

8.5 Pine Forests

	Timber and Veneer	Chips	Total
2014	120,000	400,000	520,000 (500,000)
2015	57,497	336,021	393,518 (393,519)
VARIANCE	-(62,503)	-(63,979)	-(126,482)

8.6 Committee Analysis

8.6.1 The Committee noted the decrease (approx. 50%) in log production for timber and veneer in 2015 compared to 2014 for pine forests. The forest production figure for natural forest in 2014 was incorrect as shown in the table 3 of page 6 of the 2015 Annual Report.

The write-up for 2014 and 2015 is the same (cut and paste). The Table 3 for Forest Production data for 2014, the total figure is incorrect.

9.0 National Log Production

9.1 Native Forests

	2011	2012	2013	2014	2015
2014 Report	34,349	30,516	38,052	51,234	
2015 Report	36,499	30,517	26,947	46,731	51,091
VARIANCE	2,150	1	-(11,105)	(4,503)	

9.2 Committee Analysis

9.2.1 The Committee noted the difference in production figures for 2011, 2012, 2013 and 2014 for the 2014 and 2015 reports. Since it is

reporting on the production figures for the individual year, the Committee felt that the figures should be consistent (same).

9.3 Mahogany Forests

	2011	2012	2013	2014	2015
2014 Report	95,856	50,423	59,422	58,437	
2015 Report	91,025	53,737	63,251	58,542	54,568
VARIANCE	-(4,801)	3,314	3,829	105	

9.4 Committee Analysis

9.4.1 The Committee noted the difference in production figures for 2011, 2012, 2013 and 2014 for the 2014 and 2015 reports. Since it is reporting on the production figures for the individual year, the Committee felt that the figures should be consistent (same).

10.0 Pine Forests

	2011	2012	2013	2014	2015
2014 Report	336,020	315,337	391,480	529,853	
2015 Report	306,684	158,214	668,833	544,902	393,519
VARIANCE	-(29,336)	- (157,123)	277,353	15,049	

10.1 Committee Analysis

The Committee noted the difference in production figures for 2011, 2012, 2013 and 2014 for the 2014 and 2015 reports. Since it is reporting

on the production figures for the individual year, the Committee felt that the figures should be consistent (same).

11. Divisional Boundaries

- Inconsistencies in Divisional boundaries in the 2014 & 2015 Annual Reports
- Table 1 Western Division, Central Eastern and Northern Division
- Table 2 Western Division, Southern Division and Northern Division
- Table 4 Southern/Central Eastern, Western and Northern Divisions
- Table 6 Northern, Southern/Central Eastern and Western Divisions
- Table 8 Northern, Central /Eastern and Western Division.

12. Staff

There was an increase in the number of staff from 2014 to 2015 by 43. The number of established staff also increased in 2015 by 18 and an increase in the number of wage earners by 10. This resulted in the increase in the budget allocation and capital projects for 2015 where more staff were engaged.

13. Budgetary Allocation & Expenditure

The 2014 annual report, there was a balance of \$104,989.00 at the end of the year and a balance of \$12,490.00 in 2015.

The Committee noted that the funds were not fully utilised.

14. Audit Report

The Committee noted the absence of the Auditor General's report.

15. Forestry Capital Projects

The 2015 Annual Report stated that \$2.3 million was allocated for Capital Projects in 2014, but the 2014 Annual Report stated that it was only \$1.6 million allocated.

The Committee therefore noted the accuracy of the figures in the report.

In 2014, there was no allocation for special expenditure whereas in 2015, there was a \$4.8 million allocation.

16. Government Services

16.1 Timber Processing

According to the 2014 Annual Report, there were seventy (70) sawmills that were operational during the year but in 2015 only fifty (59) were operational, a reduction of eleven (11) sawmills but the log intake capacity were the same at 77,693.65 cubic meters.

The Committee noted how the log intake capacity remained the same.

17. Monitoring, Compliance and Surveillance

The Committee noted that there was no proper monitoring and compliance surveillance conducted in 2014 compared to the 2015 Annual Report.

The Committee noted that there was inconsistent reporting of these activities in the 2014 and 2015 Annual Reports. For example, as stated in the 2015 Annual Report, the increase of 14% of average scores of Fiji Forest Harvesting Code of Practice of field operations nationally by harvesting contractors compared to 2014. There was, however, no comparison stated in the 2014 Annual Report.

It also noted by the Committee that the Department of Forestry's comparative figures stated in the 2015 annual report, was not reflected in the 2014 Annual Report.

18. Forest Resource Assessment

The Committee noted that there was no table for Forest Resource Assessment for the seven main islands in the 2014 Annual Report. In the absence of the table, the Committee could not make any comparative analysis.

19. Reducing Emissions from Deforestation and Forest Degradation (REDD PLUS)

The Committee noted that during the Reforestation program in 2015, seventy five percent (75%) of seedlings planted survived the prolonged

drought. The Committee noted that the reforestation program was carried out during the dry season.

20. Education and Training

The Committee noted that the Competency Based Training (CBT) skills test did not continue in 2015.

21. Sustainable Forest Management Training

The Committee noted that there was no gender inclusiveness in the 2015 Annual Report.

22. Sandalwood Development Program

A new program for 2015 was the inclusion of women's groups in sandalwood development to promote gender equality at community level.

The Department's key achievements included thirteen (13) communities in Fiji, empowered on sandalwood resource development.

The Committee noted the positive impact of the utilisation of the budget of \$500,000.00 in terms of extension and production for the Sandalwood Development Program.

23 Pine Woodlot Package

The purpose of the project is to assist the people of maritime islands to utilise their forest plantation resources for the construction of their houses. The proposed sites for maritime islands Pine Woodlot logging package assistance are Cicia, Moala, Matuku, Kadavu and Beqa Islands.

24. Support Income generating Forestry Projects through Subsidy and other financing options

Administration of Seed Capital Revolving Fund (SCARF). The department supported communities who wish to harvest their forest and trade logs or even convert into timber to trade to local timber retailers. The SCARF programme enables Forest communities to participate in the

Forest industries and gain maximum return from harvesting and processing their forest resources. The SCARF programme was implemented in 2015.

25. Forest Subsidy Programme

The purpose of this programme is to drive wood carving business in Fiji from an informal platform to a formal business platform that will enable it to move even further in contributing to Fiji's socio-economic development. For example, in the Bua, Macuata and Ra Pine Schemes.

The Committee noted that this is the first time this programme had been mentioned in the Forestry Annual Report.

26. Pine Resin Extraction in Lakeba, Lau

This programme is primarily aimed to enhance and empower community to actively participate in forestry economic activities through the establishment of pine resin extraction.

The Committee also noted that this is the first time this programme had been mentioned in the Forestry Annual Report.

27. Community Forest Development

The Committee noted that in the 2014 Annual Report, the Department achieved the establishment of six (6) agroforestry models but only two were mentioned namely Lomaivuna in Naitasiri and Korovisilou in Serua.

In 2015 Annual Report, the Committee noted eight (8) agroforestry models were established in Nalase, Caboni, Vesilou (tbc), Rabi, Lodon, Navulokani, Logani and Nanukuloa.

The purpose of the program is to empower and involve communities and schools to raise resilient plant species to be used for the coastal rehabilitation and replanting of forests programs.

The Committee noted that a new Toyota Hilux Double Cab, GP968 was purchased on 6th January, 2016 as it appears in the 2015 Annual Report.

28. Forest Parks, Recreation and Reserves

The Committee noted that the same report in the 2014 Annual Report also appeared in the 2015 Annual Report in the Forest Reserves.

29. List of Portable Sawmills

The Committee noted with concern the inclusion of the thirty three (33) unlicensed Portable Sawmills in Table 9, page 41 of the 2015 Annual Report.

APPENDIX 3**Verbatim Notes attached and listed in order of dates below:**

Date	Organisation/ Government Ministry	Names of Ministry Officials
21/6/17	Ministry of Forests	1.Mr.Samuella Lagataki- Permanent Secretary for Forests 2.Mr.Semi Dranibaka – Deputy Conservator of Forests 3.Ms. Sanjana Lal – Conservator of Forests 4.Mr.Noa Vakacegu–Principal Forests Officer 5.Mr. Maciu Waqa – Principal Accounts Officer
28/6/17	Ministry of Forests	1.Ms. Sanjana Lal – Conservator of Forest 2.Mr. Noa Vakacegu – Principal Forestry Officer 3.Ms. Akosita Lewai – Principal Forestry Officer 4.Ms.Olivia Vakaloloma – Senior Economic Planning Officer
20/7/17	Ministry of Forests	1.Mr.Samuella Lagataki – Permanent Secretary for Forests 2. Mr.Noa Vakacegu – Principal Forest Officer (PFO)

**STANDING COMMITTEE ON
NATURAL RESOURCES**

Submittee: Ministry of Forests

[Verbatim Report of Meeting]

**HELD IN THE
COMMITTEE ROOM (EAST WING)**

ON

WEDNESDAY, 21ST JUNE, 2017

**VERBATIM NOTES OF THE MEETING OF THE STANDING COMMITTEE ON
NATURAL RESOURCES HELD AT THE COMMITTEE ROOM (EAST WING),
PARLIAMENT PRECINCTS, GOVERNMENT BUILDINGS, ON WEDNESDAY, 21ST
JUNE, 2017 AT 2.10 P.M.**

Submittee: Ministry of Forests

In Attendance:

- | | | | |
|----|----------------------|---|------------------------------|
| 1) | Mr. Samuela Lagataki | - | Permanent Secretary |
| 2) | Mr. Semi Dranibaka | - | Deputy Conservator of Forest |
| 3) | Ms. Sanjana Lal | - | Conservator of Forest |
| 4) | Mr. Noa Vakacegu | - | Principal Forestry Officer |
| 5) | Mr. Maciu Waqa | - | Principal Accounts Officer |

MR. CHAIRMAN.- *Vinaka*, Members of the Committee, we will commence with our meeting. This afternoon we are very fortunate to have the team from the Ministry of Forests.

Today, we have been given the task of scrutinising the Department of Forests' Annual Report for 2014.

We have today, the Permanent Secretary for Fisheries and Forests, Mr. Samuela Lagataki; Mr. Semi Dranibaka, the Deputy Conservator of Forest; Sanjana Lal, Conservator of Forest; Mr. Noa Vakacegu, the Principal Forest Officer; and I understand Mr. Maciu Waqa is the Principal Accounts Officer.

To the team from the Ministry of Forests, before you brief the Committee on Natural Resources, we have Honourable Kiliraki, Honourable Vunivalu, Honourable Dulakiverata and Honourable Nabulivu and myself, we have been given the task to look at your Department's 2014 Annual Report (it was a Department then but now a Ministry). We are very fortunate that you are availing your time to come while the Committee is doing its scrutinising role in terms of looking at your performance, both operational and financial for the Year 2014 before we compile our report which will then be tabled again in Parliament for looking at your performance in 2014, so the discussions today is basically for us to hear the Ministry.

There may be some anomalies, shortfalls, questions that we will pose at the end of your presentation. We understand there is a presentation being prepared for us today and our discussion is basically for this Committee to be able to put together a report which will again be tabled in Parliament in the next sitting of Parliament, so on that note, we welcome the team. We welcome you to Parliament, to its Natural Resource Committee and now, Permanent Secretary and the team, we give you the floor for your presentation.

MR. S. LAGATAKI.- Thank you very much, Mr. Chairman of the Standing Committee on Natural Resources, and also Honourable Members of the Committee. Firstly, I would like to take this opportunity to thank you for giving us the opportunity to come and present to you some of the key highlights of the 2014 Annual Report and also give us the opportunity to respond to some of the queries that may arise from the Report that might need some clarification.

We have basically put together a slight presentation that is drawn from some tables that are within the Report itself and also with regards to the key outputs and the sub-outputs, we have omitted them from the presentation as we envisage that you have the copy of the Annual Report in

front of you which will go in conjunction with the presentation. If we had included this in the presentation, it will only make the presentation long and we are just repeating what is basically highlighted in the report itself, so Honourable Members and Mr. Chairman, I would like to go straight into the presentation with regards to the Vision and the Mission.

As you will see, this was the Vision and the Mission in 2014. In 2016, the Ministry had changed its Vision so you will see that there is difference in the Vision and the Mission then and the Vision and Mission that we have now.

The Vision is focusing more on the future generation that is inheriting a prosperous and enhances the forest sector, and with the Mission, focusing more on livelihoods through SMART policies and sustainable management of forests.

The Vision then and the Vision now still maintaining the following keywords - “sustainability for our future generation” and also within the Mission, still maintaining the keywords - “livelihoods, sustainable management of forest resources and SMART policies” so even though our Mission and Vision have changed now, we still maintain those key elements.

If we can go to our next slide, that is on the organisation structure, you will see that from the Conservator of Forests, who reports straight to the Permanent Secretary, there are two Deputies who report directly to the Conservator of Forests and then we have the Specialists Division where we have the Management Services Division; Training and the Extension Service and Parks and then we have the Operational Divisions, which include the Divisional Officers - Central/Eastern, Northern and Western, the Timber Utilisation Division and then we also have the Siviculture and Research Divisions. This is how we are structured and organised since 2014.

On the next slide, with respect to the staff, a total of 184 staff of which 100 are established, and 58 wage earners. In 2014, we have a total of 26 Projects staff that are delivering outputs with the projects that we have.

In terms of budget allocation, a total of \$5.5 million was allocated and a total utilisation of around 98.1 percent from the total provision. This leaves a balance of \$104,000 towards the end of the year.

For Capital Projects, a total of \$1.6 million was allocated in 2014 for the Capital Projects. We will be touching this in more detail in the presentation. With respect to strategic priority areas, these strategic priority areas come from the Roadmap for Democracy and Sustainable Socio-Economic Development (RDSSSED). It is a Government manifesto and this was from 2013, the accountability framework leading on to:

- 1) Productive, Transparent, Democratic and Accountable Institutions;
- 2) Public Sector Reform;
- 3) Leadership; and
- 4) Employment and Labour Market.

These were the key priority areas that we identified and aligned our work towards.

Also, within these strategic priority areas within the next slide, aligning this against the Government manifesto, we come up with a total of nine areas or key focus outcomes which are:

- 1) Ensuring food security (This is one of the key areas that we often tend to neglect or not really focused on the relationship between forestry and food security);
- 2) Greater collaboration and networking with our key stakeholders;
- 3) Protection of biodiversity (We will also be looking at the total areas that we have been conserving);
- 4) Community Empowerment through our normal activities and also through project activities, identification of areas for alternative livelihoods in our projects;
- 5) Streamlining of Systems and Processes to be able to deliver better on our services;
- 6) Empowerment of Women;
- 7) Enhancement of Departmental Staff through training and also service delivery;
- 8) Climate Change Activities; and also the
- 9) Provision of Affordable Housing.

These are the key areas or the focused outcomes that we have been working on in 2014.

Departmental Profile: the Department is responsible for a total of six key areas and those are as follows:

1. Implementation of the Forest Policy of 2007;
2. Administration and Enforcement of Forest-Related Legislations;
3. Conservations, Sustainable Utilisation and Management of Forest Resources;
4. Approve and Issue Forest-related licenses;
5. Training on Extension Services and Research; also include
6. Formal Training, Co-ordination with our key stakeholders.

2014 Key Outputs: we have a total of 12 key outputs. These key outputs and sub-outputs that we are reporting on are some of the achievements and activities that we had carried out in 2014 and are discussed further in the Annual Report itself. These Key Outputs are, namely:

- 1) Portfolio Leadership;
- 2) Research and Development;
- 3) Education and Training;
- 4) Public Awareness;
- 5) Food Security;
- 6) Forest Law Enforcement;
- 7) Sustainable Trade Environment;
- 8) Value-Adding and Downstream Processing;
- 9) Mainstreaming of Climate Change Activities through our Project Activities and also through our Adaptation Activities;
- 10) Strengthening of Global, Regional, National Partnership;
- 11) Gender; and also on the
- 12) Financial Services.

The next slide basically is just a breakdown of the total budget that we have, that I mentioned earlier on the Capital Projects. A total of \$2.7 million on Capital Projects of which around \$1 million is on Capital Purchases and around \$1.7 million is on the Capital Construction that we have on REDD+ (a Climate Change Project); Sandalwood Development; the Upgrading of Forestry Officers; Research and Development of Non-Wood Species, and the list goes on.

We have a Capital Purchase on SEG (Standard Expenditure Group) 9, that is Pine Woodlot Logging that was carried out in Gau and Cicia, and then the ICT Upgrading Activity.

Total Forest Areas as at 2014 - Forestry Divisions: we have a total of nine; from the Corporate Services and Planning, this we have in Headquarters. The Management Services Division that does all the Forest Inventory and Mapping, Silviculture and Research that do our Research Activities together with the Timber Utilisation Division.

We have the Training, Forest Extension Services, Divisional Officers, the arm of the Department out in the Divisions and then we have the Forest Parks and Reserve that look after our Conservation areas.

In terms of Forestry areas, we have a total of around 1.07 million (about 1.1 million) hectares, Total Area of Forest of which around 82 percent is of Natural Forest, around 7 percent is on Pine Plantation (that is 77,000 hectares); 59,000 hectares (that is 6 percent) Mahogany Plantation and 54,000 hectares (that is around 5 percent) Mangrove areas. This is the Total Forest Area that we currently manage at this moment.

In terms of Total Log Production, you will see that the Total Log Production was sitting at around 200,000 from 2010 and then it dropped down to almost 100,000 in 2012 and then it took a spike from 2012, 2013 to 2014. This is mainly from the Pine Chips. You will see that the Pine Chips production always has a significant impact on the Total Log Production that we have.

In terms of Sawmills and Treatment Plants, we have a total of 45 Sawmills of which a total of 24 Static Mills and a total of 21 Portable Sawmills within the country. In terms of Timber Treatment Plants, we have a total of 17 with 1 new Timber Treatment Plant established in the Central Division, bringing the total number up now to a total of 17 Timber Treatment Plants that we currently license and monitor.

In terms of exports - Total Exports of around \$80.6 million in 2014: you will see that from this amount, we have quite a number of items that we export - Pine Chips (\$42 million) and Sawn Timber (\$32 million), together these two contributed to 92.5 percent of the Total Exports. So there is still a challenge in turning around and making sure that we get value-adding to really significantly show-up as the key export commodity.

In terms of imports, the Total Imports of \$17.9 million in 2014, mostly of sawn timber and ply wood, including posts and poles. Sawn timber, ply wood and poles are the main imports that come in to the country that contribute to around 69.15 percent just from those three and then the rest, you will see that towards the far right, that is the accumulated total, so you will see for poles (69 percent) so 40 percent for sawn timber, including poles which take it up to 55 percent and then up to 69 percent just for those three.

We also carry out training for our people that do operations in the forest. These include forest harvesting and also including people that work in the sawmills and Treatment Plants. We carry out training for them to ensure that they follow safety practices to protect themselves as well as the environment. A total of 153 trainings were carried out with a total of 51 for the stakeholders.

In terms of Forest Reserves, we have a total of 17 Forest Reserves, with a Total Area of around 29,000 hectares. You will see that this includes Taveuni, Buretolu, Nadarivatu, Matanisaqa and then the list goes on in the year in which they were proclaimed and established. and also the total areas, totalling 29,000 hectares. We are currently paying lease for these forest reserves and we are also paying compensation.

Nature Reserves: we have a total of 7 Nature Reserves, with a total area of 5,737 hectares, namely:

- 1) Nadarivatu;
- 2) Tomaniiivi;
- 3) Qaranibuluti;
- 4) Ravilevu;
- 5) Draunibota;
- 6) Nabiukovou Island; and
- 7) Vunimoli.

We also have other parks and reserves, these are the ones that are not formally gazetted - those that do not formally come under the Ministry of Forests, a total of 17,000 hectares (a total of 17 of them). If you look at that presentation, we have other parks and reserves, Sovi Basin (20,000 hectares) that still has to be documented and Emalu (7,000 hectares).

Altogether, the total conservation area is around 78,801 hectares. With a total of 17 percent that we need to protect under the target for conservation, we only have achieved 7.1 percent so far. We still have another 10 percent to go and this now constitutes one of our major targets and activities from now up until 2020 and up until 2030.

Very briefly, Mr. Chairman and Honourable Members, these are some of the key highlights or activities that we carry out but I believe there are much more information that are in the Annual Report itself that you might also need to focus our discussion on, thank you very much.

MR. CHAIRMAN.- *Vinaka*, PS and the team, for the presentation. You covered a lot in this presentation in terms of your 2014 Report. Now I will open the floor, Members of the Committee, if there are any questions to the Permanent Secretary and the team on the 2014 Report.

HON. A. NABULIVOU.- Thank you, Permanent Secretary and the team, for the presentation - a brief outline for the 2014 Report. I need to ask the question later, anyway it is all right, this is regarding forest harvesting and training of stakeholders. Can you just explain to us, how often do you conduct this training on forest harvesting?

MR. S. LAGATAKI.- This training just goes on right through the year round. They do not stop, they just keep on going around conducting training for logging contractors, communities. In fact, they just got their work programme right throughout the year to carry out this work programme. They do not go and then there is a gap in time and they just keep on going from area to area, and they just keep on going around.

HON. A. NABULIVOU.- Was that training requested from the landowners or do you have a normal procedure of doing training?

MR. S. LAGATAKI.- There are trainings that are requested from the landowners themselves that we carry out, and there are those that we have to carry out once we see the weaknesses, especially in the logging areas. Once we see new people coming in, that is when we carry out training for this, especially the supervision course, these are the ones that are mandatory. We have to carry out this training for the supervisors, then there are those that are carried out for the communities. These are mostly carried out by our Extension Division and also together with our Training Institution in Colo-i-Suva.

HON. A. NABULIVOU.- When you compare the result of that training for 2013 with that in the 2014 Report, do those trainings benefit the landowners or the stakeholders?

MR. S. LAGATAKI.- There are two types of training, one is the training on Sustainable Forest Management, the training for communities and then there is the training for harvesting. We also do this for the communities where they are actually involved themselves but we really see that there is marked improvement and the interest is always there. We always do not find enough time to cater for all the requests that come in so we are working according to the resources that we have, but certainly we have seen quite a significant amount of improvement.

HON. A. NABULIVOU.- The indigenous forest, mahogany, et cetera, training have been done everywhere.

HON. RATU K. KILIRAKI.- Mr. Chairman, just on the slide presentation on the strategic priority areas, I have two questions on those. I need clarification or explanations on the Strategic Area No. 1 - how do you implement your activities or what activities do you have in your programme to go in line with food security in terms of your role as the Ministry responsible for Forestry? In my layman's understanding, food security is usually related to agriculture, that is one.

If I can pose the second question on the Strategic Priority Area No. 9 - Provision of Affordable Housing to Fijians through our Pine Maritime Projects; how do you perform in this strategic area since 2014, taking into consideration the most recent *Cyclone Winston*, what type of role do you play since 2014, and most recently the *Cyclone Winston* Rehabilitation?

MR. S. LAGATAKI.- Thank you very much, Honourable Member, for that question. I will answer that first question and then I will go on to the second. The first is on food security - the relationship between forests and food security, if we go to the market, there are two issues, one is the quantity of food and one is the quality of food which is the nutrition.

If you go to the market you will see significant amount of food (fruits) that are sold in the market like *tarawau*, *kavika*, *dawa*, *ota* - all these are sourced from forest reserve. If we are to protect these food items, we have to protect the forest, including *dawa*. There are wild food in the forest. We have to protect certain forest areas and these different species.

Even if we go to the roadsides, there are food items which include fruits that I have just mentioned and they contribute significantly to women and children. The women and children are the key people that play the significant role and from the sale of those fruits and vegetables, they pay for bus fares, school fees, all these little things in villages, contributing to poverty alleviation.

One of the key areas that we also contribute towards is in agro-forestry areas where you inter-crop trees with agriculture crops. In this way, soil fertility is maintained, erosion is protected and also the gardens and farms themselves become much more resilient to climate change and drought. In this way, you are protecting the agricultural system itself, also protecting our water courses, ensuring that you put in stringent measures on logging operation in terms of silting. If there is a lot of siltation in the river, you kill the prawns, ills, fishes and then it goes down the mangroves and ends up in the reef, so to protect your reef system, mangroves, river streams, you have to protect the quality of water and you have to really tighten up on your logging operation, so these are some of the key areas that we are linking up Forestry operations to food security.

With respect to the provision of affordable housing, the total number of houses that we have provided timber for through the provision of chain saws and portable mills, now total up to around 500 houses since *Cyclone Winston*.

Even before that, up until 2014, we have already started addressing the concerns and issues that are currently being raised by our population that live within the maritime areas. They have pines that are planted through Government promotion, now pine trees have matured and they are still coming into Suva to buy timber, especially the big islands like Gau, Cicia, Kadavu, so these are the key areas, apart from Lakeba which has already been harvesting their pine for a number of years now, so even in Gau, the sale of timber is already taking place and even in Kadavu now, so people are already buying the timber, repairing their houses instead of coming to Suva, so this timber is treated in Kadavu and in Gau as well, so housing becomes much more affordable now than in the past in these maritime areas.

HON. RATU K. KILIRAKI.- Can I have a supplementary question with regards to the availability of wild naturally-grown food, trees and ferns like *ota*, do you allow accessibility to reserves for the people to go and gather these, even the prawns in the rivers? As you know all the other areas are being utilised for farming and mostly polluted by manure and insecticides, the most preserved areas are in abundance with these food security natural resources, whether they are accessible to the landowners in the reserve areas?

MR. S. LAGATAKI.- Thank you very much, Honourable Member, there are two types of reserves that we have: one is the Forest Reserve; and the second one is the Nature Reserve. Within the Nature Reserve, everything is conserved for the protection of Biodiversity also, so within the Nature Reserve, you cannot go in and collect anything even from the rivers, creeks, or even firewood, but on the forest reserve, you can do this and it is articulated in the Forest Decree itself and the purpose of the natural reserve is to conserve biodiversity and conserve everything – nature. Forest Reserve is just for the conservation for ecosystem services in this country.

HON. A. NABULIVOU.- A supplementary question, what is the difference, Nature Reserve is a conserve area, that is not to be touched.

MR. S. LAGATAKI.- Nature Reserve is where you are conserving nature.

HON. A. NABULIVOU.- Like a conservation area?

MR. S. LAGATAKI.- Yes, it has to be as natural as possible.

HON. A. NABULIVOU.- It is a lease area?

MR. S. LAGATAKI.- Yes.

HON. A. NABULIVOU.- Like Sovi Basin?

MR. S. LAGATAKI.- Sovi is not really a Nature Reserve.

HON. A. NABULIVOU.- A conserve area.

MR. S. LAGATAKI.- It is conservation area, we still have to proclaim it.

HON. A. NABULIVOU.- Do you have access in there to get firewood?

MR. S. LAGATAKI.- The landowners still can go in and access that.

HON. A. NABULIVOU.- They can go in there?

MR. S. LAGATAKI.- Yes.

HON. A. NABULIVOU.- You are talking about the Nature Reserve?

MR. S. LAGATAKI.- We are talking about the gazetted Nature Reserve.

HON. A. NABULIVOU.- Gazetted?

MR. S. LAGATAKI.- Gazetted.

HON. A. NABULIVOU.- But Sovi is not gazetted?

MR. S. LAGATAKI.- Sovi is still a conservation area but not formally gazetted. It has to come out in the gazette on what can be done and what cannot be done, and then taken through Parliament.

HON. A. NABULIVOU.- That is the difference.

MR. S. LAGATAKI.- Yes.

HON. RATU K. KILIRAKI.- Another supplementary question, in terms of compensation, whilst they are accessible to Forest Reserves, Nature Reserves being the source of their food, landowners will be deprived of that source, whether that aspect of compensation is taken into account - the current compensation formula that you have.

MR. S. LAGATAKI.- We currently have a formula for the calculation of compensation for the Reserves that we have, but whether it actually addresses the question that has been asked, especially in the Nature Reserve - what has been taken out. This is something that we assume is currently protected within the compensation but the compensation is something that the Ministry of Forest feel is something that the proper authorities represent, we are representing Government and then we have those that are representing the landowners. Those that are representing the landowners should be really pushing on looking at the formulas, so we are talking about maybe iTLTB or we are talking about the Native Lands Commission, I do not know but there has to be a body that needs to be pushing this with us and calling us to sit to review all these.

I fully agree with what is being raised but I believe that there really needs to be an established body to be really looking and scrutinising all these otherwise we will be acting like landowners too, that we will be scrutinising our own formula and we do not know really how far we can go with this, so I fully agree that we really need to seriously look again at this.

HON. RATU K. KILIRAKI.- We are talking about compensation, the new thing now is climate change and we have the Forest Reserves as a carbon sink. Is there going to be carbon trading as we know and probably, on the aspect of the compensation in the future or what is your comment from the Forestry side?

MR. S. LAGATAKI.- The selling of carbon is a mechanism within the Climate Change Convention that incentivise the forest owner to leave the trees and not cut it and get paid for the

standing trees, so how they are paid, they are paid for the carbon that is stored within the tree that they are not going to cut so they will have an option whether to sell timber or to sell carbon. If they are going to be selling carbon, then we will only be paying them for the calculated amount of carbon within a certain price depending on the market prices, but they cannot sell carbon and compensated for not selling the timber. In that way, it will be like double dipping, so you either sell timber or you sell carbon, you have an option. You cannot be selling carbon without compensating for the timber.

HON. MEMBER.- That is used too for the indigenous trees?

MR. S. LAGATAKI.- It is on any standing tree, as long as you leave it standing. There are two issues, one you have to leave it standing, and the other one is if the trees are in an area where it will be logged, so if it is in a steep area that it is not allowed to be logged, it is a protected area anyway, so you are not really losing on the opportunity there. It is only on areas where logging can be carried out that there is the issue on compensation.

HON. J. DULAKIVERATA.- Mr. Chairman, while we are still on this topic of compensation, now that we are moving into these new developments regarding climate change, et cetera, do you not think that this is the time to be looking at this formula and educating the general public on this issue, so that everyone understands what is going to come - whether to log or to wait for this carbon trading. They have to understanding all these things so that they can exercise the options which is beneficial to them so I think it is important that you come up with this formula and have an awareness training so that everyone understands, because most of these issues, people are just hearing about it and nothing is done about it and I think we should start now.

We have been discussing all these issues but no one has come up with a clear policy on these things regarding REDD+, et cetera, so I think we should be looking at this formula and also create awareness amongst the natural resource owners so that they can choose on what options to take in the future - just a comment.

HON. S.B. VUNIVALU.- Mr. Chairman, through you, Permanent Secretary and the team, thank you for your presentation this morning. Yesterday, the team from the Auditor-General was here with regards to this Ministry of Forests' 2014 Annual Report, and I understand that there are some discrepancies that need to be resolved. If you see - National Log Productions, the cubic metres for the Native - 2009 - 59,000; 2010 - 49,000; 2011, 2012 to 2014.

My concern is on mahogany. Our Committee has visited Nukurua recently, maybe later on we will visit Vanua Levu or some other places where mahogany trees are planted. If you see the draft there, there is a big downfall of mahogany. My question is, with regards to the discrepancies of the Department of Forestry, if you see the 2009 statistics - 63,000; 2010 - 92,000; 2011 - 72,000; 2012 - 53,000; 2013 - 61,000; and 2014 - 4,000; is that correct?

My question PS is, why is there only 4,000 in 2014 considering that mahogany trade is going on very well with the high price of Fiji mahogany within Fiji and around the world? My query is - which one is correct, this one (indicating) or your presentation?

MR. S. LAGATAKI.- This one - this table was a copy and paste from the draft Annual Report, not the final copy of the Final Report, I think it is only the mahogany

MS. S. LAL.- From woodlots

HON. MEMBER.- Which is 4,000?

MR. S. LAGATAKI.- Yes, the figures here are less. This was updated when, I believe, they were still waiting for figures to arrive, this is the draft. When the figures finally arrived, these are the figures that we have on the Annual Report itself, this is the true figure, I have to apologise for this table.

HON. S.B. VUNIVALU.- You have to change the draft too because as pointed out it really came down to that amount.

MS. S. LAL.- Yes.

HON. S.B. VUNIVALU.- This mahogany statistics does not go up, which one is correct because the figure 4,000 for mahogany is pointing down (indicating).

MS. S. LAL.- Yes.

MR. S. LAGATAKI.- The true figure is 58,437.

HON. S.B. VUNIVALU.- The graph should go up. We are concerned, Mr. Permanent Secreary because we will present this to Parliament, we want the correct figures.

MR. S. LAGATAKI.- We will go back and change this, it should actually go up, my apologies for this. We were getting this from the Word Document but we will certainly look into this, it should not have been 58,437 and it should actually go up.

HON. J. DULAKIVERATA.- Mr. Chairman, if you could check the rest of the figures too because the only one that is the same there is in 2009 – 63,758; 2010, 2011, 2012, 2013 - they are all different.

MR. S. LAGATAKI.- Like I said, this came from the draft which they updated and published, so this was on PDF formatting and the draft was in the Word Document so we were trying to copy from the Word Document and put it into the PowerPoint Presentation but actually, I believe this is where the discrepancy comes in, but we will surely, like I said, exactly put this table into the Powerpoint Presentation.

MR. CHAIRMAN.- The correct table is in the Report.

MR. S. LAGATAKI.- The correct table is the one in the Report. Like I said, this one was copied from the draft that was in the Word document. This one was converted into PDF so we just have to rely on this figure.

HON. S.B. VUNIVALU.- Just a concern, Mr. Permanent Secretary, because what you present to us will appear in the verbatim notes of our meeting today and it can appear to be different from this. Like I have mentioned yesterday, the audit team came to present on the 2014 statistics, on how to resolve this issue but it is like a case of interest as I see it, if you can come back

MR. S. LAGATAKI.- Irrespective of that, surely, the volume of mahogany actually fell. It fell in here, even in the actual true figures, it also fell from 63 to 109 down to 58, it also fell, so the issue of it falling is still an issue - the reduction in the amount.

HON. S.B. VUNIVALU.- I understand what you are saying, Mr. PS, my concern is the report itself. With regard to the Auditor's Report yesterday, there are discrepancies that need to be resolved and I know it has come down to 1,000 and what you have presented to us today, that one you brought it from somewhere else, that is why we are trying to figure out how to resolve this issue during presentation to bring to this Committee which one is right and which one is not.

HON. S. LAGATAKI.- I apologise for that, Mr. Chairman.

HON. RATU K. KILIRAKI.- Just from the presentation and just going through it, for exports and imports, I see that we are exporting as well as importing sawn timber. To a certain extent, we also export and import plywood, so what is currently the reasoning on those figures there? For example, for sawn timber (export) 250 m³, (import) 8,776 m³; for plywood (import) 2,565 m³, (export) 508 m³; so what is your reasoning on that?

MS. S. LAL.- If you look at the export figures, majority of the sawn timber is mahogany. If you look at the imports, Fiji is importing a lot of pine sawn timber because it is a structural timber which the building industry needs. We do not have enough pine sawn timber, that is why the imports of sawn timber is here because most of it is pine from New Zealand and the exports, most of them is mahogany sawn timber.

MR. CHAIRMAN.- Permanent Secretary, can that difference be reflected?

MR. S. LAGATAKI.- *Vinaka*.

MR. CHAIRMAN.- Because for us, if you export and import sawn timber, it does not make any difference for laymen like us, but if it could be established as to what other species of timber are we exporting and importing?

HON. A. NABULIVOU.- Just one question, Mr. Permanent Secretary, do we have data for log and unlog areas?

MR. S. LAGATAKI.- Yes, we certainly do have information on that, thank you.

HON. A. NABULIVOU.- Can we request for some information on that?

MR. S. LAGATAKI.- Yes, we will certainly supply that information.

HON. A. NABULIVOU.- A supplementary question, just a follow-up on that, Mr. Permanent Secretary and Mr. Chairman, let us talk about compensation just to clarify. The natural reserve, especially the conserve area, I think I have asked you this question last year, when you came to submit to this Committee on conservation, who is responsible or the rightful entity to pay the compensation for the landowners on the standing fees for timber conserved in a certain area, based on the volume assessment, is it the Government through the Forestry Department or internationally or who?

MR. S. LAGATAKI.- Is this regarding the REDD+ area?

HON. A. NABULIVOU.- No, this is regarding the conserve area.

MR. S. LAGATAKI.- Any conservation area?

HON. A. NABULIVOU.- Before the REDD+, before the carbon, we just want to know that area, is it alright to compensate the landowners for those conserve areas, just a question?

MR. S. LAGATAKI.- Actually this is in terms of fairness because it will come back to Government for Government to approve. Any conservation area needs the approval of Government for it to be gazetted but communities can conserve their areas, that is up to them. Say for example, a village or a *mataqali* can conserve their area and make their own law, by-laws or whatever, and they can conserve it. But if it needs to come to Government for conservation, then there will be laws in place that Government will have to enforce so if someone goes and does something in the conservation area that is not supposed to be done there, that person can be taken to court and be charged because that place is conserved for national interest. So Government is the one that will have to pay for the compensation because the purpose of the conservation area is for national interest or for the interest of Government. So all the compensation that is being paid now is being paid by Government. No one is paying any other compensation, it is by Government, except the one from Sovi Basin where the money is coming from outside.

HON. A. NABULIVOU.- (Inaudible)

MR. S. LAGATAKI.- Yes, the non-gazetted one. For the Emalu one, the money is also coming from outside but all on Government approval so if Government does not approve it, there will not be any money paid to the landowners.

HON. J. DULAKIVERATA.- Mr. Chairman, this matter was raised in Parliament in the last sitting. I wonder if you had followed through with that, regarding Emalu.

MR. S. LAGATAKI.- Yes, regarding Emalu.

HON. J. DULAKIVERATA.- Because they already have a lease by the Government to preserve that area and they are promised that they will be paid lease and compensation.

MR. S. LAGATAKI.- I do not quite agree with the payment of compensation because right now, with the payment of lease, we agree, we have already proceeded with that.

HON. J. DULAKIVERATA.- There will be carbon emission.

MR. S. LAGATAKI.- But on the payment of compensation, what iTLTB is wanting us to do is to compensate them for the standing timber. But we are saying, "Hold on, when we compensate you for the standing timber, what is going to happen to the carbon money when it comes in, we also have to give it to you so it will be like double dipping" so this is where the discussion will need to proceed towards. What we are saying is, if we are going to pay you compensation for the standing timber when the carbon money comes, we will take away the amount that we have already given to you and then we will give you what is left. We have not proceeded to that stage because we tried to proceed to that stage and what they are telling us, "Hey, wait, you are coming up with a totally different story now."

HON. J. DULAKIVERATA.- Carbon trading.

MR. S. LAGATAKI.- We did not discuss that initially so I think as Honourable Dulakiverata mentioned, there is still need to be more discussion and more awareness on what is really included and so, I think, right now we are taking it slowly, we have paid the lease but in terms of paying the compensation, we have to really clarify to make sure that there is no double-dipping in this area.

HON. A. NABULIVOU.- Any timeframe for that, PS?

MR. S. LAGATAKI.- I think it really depends on iTLTB. We are telling iTLTB that we do not pay compensation, we wait for the carbon money to come in and then we pay them, but pay them only the lease money but iTLTB is not talking about compensation. It is not talking about the carbon money, it is talking about the compensation and also once the carbon money come to also go to them so they want both - the compensation and the carbon money, so we are saying, you either get one or you do not get the other, but we will try and sort it out very quickly with the iTLTB.

HON. A. NABULIVOU.- Mr. Chairman, can I ask another question about sawmills and treatment plants, can you elaborate more on the current sawmills which are functioning now and how many sawmills are not functional?

MR. S. DRANIBAKA.- In 2014, if you look at the list, we have a number of static sawmills which means that the sawmills are permanent, also we have portable sawmills and you can see the numbers that are there.

In the Northern Division, we have 14 static sawmills (10 static and 4 portable). In the different divisions, we have the different types of sawmills and those are licensed ones that are given, yes, there is a rise in the number of sawmills that we have now, especially for the portable mills that are being brought in now.

Mostly, after *Cyclone Winston* and also for the maritime, where there are no sawmills so for the treatment plants, we have the number that is there - about 18 treatment plants right around Viti Levu and Vanua Levu and one in the maritime, which is the one in Lakeba - Lakeba Treatment Plant.

HON. A. NABULIVOU.- One question about the portable sawmills: are portable sawmills still in use now or not because I have just heard some rumours going around, let us clarify, is it legal to use the portable sawmills?

MINISTRY OF FORESTS REP.- Yes, the portable sawmills are both included in the sawmill regulations, so both are being used. The initial idea was to concentrate on areas where there are no static sawmills, in the maritime or in the remote areas. Also when we started off with the mahogany we see that there were some request need for the landowners to be involved so those are the areas, so it comes on a need basis and the Department looks at where it is really needed, especially for the community to be used and also the remoteness of the area that we approve the use of portable sawmills but comes under the sawmill regulations.

HON. A. NABULIVOU.- Permanent Secretary, can you, please, elaborate in detail on how to go about having logging licence and all those licences that are issued by Forestry?

MR. S. LAGATAKI.- For the logging licence, there are two types of logging licences, one is the logging licence for planted timber, that is for pine; and one is on natural forest.

For pine, if it is your own plantation on your leased land, then you just go straight to the Department of Forest who will give you your licence but if it is on *mataqali* land then you have to go to TLTB first. TLTB will grant the approval or no approval then they will write to the Ministry of Forest consenting for the issuance of licence to whoever is applying but there are processes and procedures to follow like the logging plan, the timber volume estimate, these are the things for Environmental Impact Assessments. These are things that need to be carried out first before a logging licence is being issued.

HON. A. NABULIVOU.- Any Land Clearing Licence?

MR. S. LAGATAKI.- There is also the Land Clearing Licence, Clear Felling for Agricultural Purpose in which you will end up selling the logs. If your logs are going to end up to be sold then you need a licence to pay for royalties and to pay for all these kinds of things.

HON. S.B. VUNIVALU.- Just a general comment, some places around the world have some projects for planting trees. This was also done in Fiji a long time ago, say about 100 years ago when I used to be told by my grandfathers that all these mango trees, breadfruit trees make up the forests on our land, none of us ever planted those trees but when they are in season, say in Viti Levu, Vanua Levu and elsewhere, you have to go and pick fruits from these breadfruit trees or whatever but none of us ever planted any tree. I think you are aware of this in all the villages around Fiji. There are big trees planted by our great grandfathers but for us, no. Is there any project from your Ministry that will take care of this?

MR. S. LAGATAKI.- First, thank you very much, Honourable Member, the planting of trees for the Ministry of Forests is an annual event through the Arbor Week that we have yearly and then now we have the International Day of Forest and then we even have projects that are running and funded by Government for the planting of trees right now. So tree planting is still very much part and parcel of our work, promoting of tree planting and are also done in the schools, primary schools, in villages and communities. This is the work that we have been doing ever since I joined the Department. It is still very much our core activity doing this and we have nurseries that are around the country supplying our seeds to communities.

In fact now the demand for seedlings, trees have even increased on the sandalwood and on other species as well and we just could not cater for the amount because of the awareness that is going on. Even the Ministry of Agriculture is also coming in with the fruit trees, breadfruits, lemons and all these other kinds of fruit trees, so I believe we still have to do more awareness and more work on this area to ensure that our future generations will continue to enjoy the trees and the forest that we put in place.

HON. J. DULAKIVERATA.- Mr. Chairman and PS, I just want to have some discussion on this tree planting. You would know that in the sixties, you have these mahogany plantations and the landowners were lured into giving their land for these projects because of the fact that they were promised that they would benefit from it and also the pine schemes all over the country. When they were growing, they will say, "Oh, there is green gold", now the pine is almost finished, the mahogany is almost 50 percent gone, have you done any assessment of what will benefit and accrued to the landowners - benefit analysis on these projects?

MR. CHAIRMAN.- The pine and the mahogany.

HON. J. DULAKIVERATA.- What would you recommend for the future, now sandalwood is coming up which is more economical to go into, sandalwood planting or you will still encourage mahogany planting, pine and also the reforestation, all the areas that had been harvested like pine. You drive from here to Nadi you see the bare areas in Nadroga which had been harvested, no replanting, you go to Bua, so what is the programme?

MR. CHAIRMAN.- Mr. Permanent Secretary, are there any programmes for the future in terms of reforestation of areas that have been quoted by Hon. Dulakiverata?

MR. S. LAGATAKI.- Mr. Chairman and Honourable Members, thank you very much for that very interesting question. Now as you know, the two major plantations - pine and mahogany, they are run now like a private entity and they have a board that runs the company that they report to. Also I believe they run on a lease basis so in order for the sustainability of long-term sustainability of the plantations, there needs to be continuous approval from the resource owners on the continuation of the lease so when the lease is not renewed, there is not much incentive for the company to go on planting if there is only a few years left and the pine trees will not be matured when the lease expires because there is no extension.

I believe this is the area that needs also to be addressed, just like in agricultural lease. The issue that is being faced in agricultural lease is also being faced in Forestry lease so the long-term lease is an issue, so may be issuing a 99-year lease, I do not know to really address this long-term issue of planting for long-term sustainability of the Forest sector.

Now with respect to pine, the involvement of landowners in the pine areas is one of the most successful undertaking of Government. If you see how the landowners have been involved right through from logging operations, they form their own forest-based companies, have their own trucks, machines, this is a very successful model if you see the model that is currently being run now in the pine plantation areas.

If you also see that most of the villages in the Western Division, some of these villages, roads were also part of the initial road construction that was carried out during the pine planting time and then Government sort of comes in and also upgraded the roads, so these are some of the things that the pine plantation has brought about in terms of socio-economic development in these areas.

With respect to mahogany, mahogany comes much later in the process and we see the gifting of 10 percent to the landowners in terms of shareholding but like I mentioned before with respect to mahogany, mahogany does not really come under the line ministry of the Ministry of Forests, it comes under the Ministry of Public Enterprise so this is where most of the discussion, I believe, will need to be undertaken, thank you.

MR. CHAIRMAN.- *Vinaka*, Honourable Members of the Committee, any other questions?

HON. RATU K. KILIRAKI.- Mr. Chairman, probably a point of interest, as mentioned, the Auditor-General representatives were here yesterday, in particular with regard to their opinion on the Ministry of Forestry's Audit Report for 2014. It was a qualified opinion, if I can quote:

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

Whilst we have queried the discrepancies, there are about three issues altogether that was brought up in the Auditor-General's opinions, and we have queried how far has it gone in addressing all those issues and their response was that, they could go as far as only giving opinions.

In this case, it is a qualified opinion and it is up to the Ministry to address those issues that have been recurring. It is a recurring issue in terms of addressing unreconciled differences, like the TMA and all those accounts so for 2014, it is under the responsibility of the Permanent Secretary to be able to go down the management level too for these issues. How far have you gone in terms of addressing all those issues that have been raised by the Auditor-General with regards to the 2014 Accounts.

MR. M. WAQA.- Mr. Chairman and Honourable Members, the audit issues raised in the 2014 Accounts, we have addressed these issues in the 2016-2017 Accounts, as Permanent Secretary has directed his Senior Accounts Officer to look after the TMA operation and we have also liaised with the Ministry of Economy in changing the process in the TMA operation, especially the systems and processes. We have put in place systems and processes, especially in the record-keeping in our TMA Unit at Nasinu.

This issue has been reoccurring for the past years and the Permanent Secretary has been in charge of sending our Senior Accounts Officer and we have replaced our systems and processes. We have also asked for assistance of the Ministry of Economy to come and look at our books and records regularly through bi-monthly checks and reconciling. We reconciled this with the Ministry of Economy regularly every month.

MR. S. LAGATAKI.- If I can add on to that, Honourable Member, I believe apart from the changes that we have carried out, reorganising our staff and putting a more senior person down at where the TMA operations have been carried out. The other one also is a problem that we have with the FMIS system itself. I do not know whether this was also highlighted.

MR. CHAIRMAN.- Yes, *vinaka*, PS, I think that was one of the areas that we would like to pose questions to you on addressing the anomalies and the discrepancies in the Audit Report, and we thank the Ministry for coming up with remedial measures to be able to address that and also work closely with the Ministry of Economy.

As our meeting with the Auditor-General yesterday, there was a lot of anomalies that they presented in terms of looking at the report. That is why you get a qualified report, meaning that there was a lot of further discrepancies and there was a lot of things that were not facilitated to them so we thank the Ministry for addressing those and the way forward in terms of looking at your TMA and other Trust Accounts.

May be the last question from the Committee is on your second last slide - What is the IT target of 17 percent, now that we have only got about 7.1 percent, what is the Ministry's plan for the other 10 percent by 2020?

MR. S. LAGATAKI.- Thank you very much, Mr. Chairman, the IT target is one of the targets for conservation that countries need to target for the total amount of forest - 17 percent for each country, which means that you are effectively conserving representative areas of biodiversity within your country's national jurisdiction so a target of 17 percent is currently being administered by the Department of Environment under the Director of Environment, and we are targeting around 17 percent by this time, only about 7.1 percent we have achieved so far.

MR. CHAIRMAN.- Permanent Secretary, is there any plan in between?

MR. S. LAGATAKI.- Yes, we have a Committee called the Protected Area Committee. Under this Committee, we are working together with the team. They are our key stakeholders - the Department of Environment, National Trust, TLTB and our conservation NGOs to try and put together and identify areas. There have been key areas that have been identified but I believe what we will need to do now is to work towards 2020 and may be even towards the culmination of the SDG (Sustainable Development Goals) in 2030 to really arrive at our target but I believe we should have another three more years to go and by putting together and addressing issues like Land Use Planning where you really identify areas that need to be protected and then working together with our landowners and government coming out boldly to really protect these areas.

I think the next issue that we will need to come up is the compensation, how we are going to be compensating all these areas if we are going to move up the total conservation areas?

HON. A. NABULIVOU.- Mr. Chairman and Permanent Secretary, the last question, what are some of the challenges faced by the Ministry, and how do you overcome those challenges?

MR. S. LAGATAKI.- Actually, now some of the key challenges that we are now facing within the Department is, the issue with respect to the protection of forests, the importance of forests, the interest in protecting forests and in planting forests.

There is more interest coming in but you see that the challenges we have on that same piece of land, we have various interests - agricultural interest, forestry interest, fisheries interest and mining interest, so I think it is balancing. It is really trying to balance all these expectations from the communities on how we move forward with the protection of Forest and also now there has been a lot of interest from the communities for planting more trees, and also managing the expectation of the communities. There is a lot of expectation from the communities but we have limited resources.

I think this is one of the key challenges, how you manage the amount of resources that you have with the expectation from the community, with the expectation from the industry, with the expectation from everyone. I think this is one of the main key challenge but we are doing what we are doing and we are managing our best with that.

HON. A. NABULIVOU.- Can I just ask one more follow-up question, we have joint developments in a lease area from the landowners, from the *mataqali* which have the Agriculture and the Forestry, pine or mahogany, very far from the main road, who is responsible for the access in there because we have the joint operation, say for the joint ministries - Agriculture and Forestry, like you said. I just want you to clarify on that because there are leases in there, about 40 to 50 miles with no access but the people out there would like to have access. There is pine to be logged there and agriculture too, like the fish pond is already there but the access, so far, out from the main road, can you elaborate on that or just give us some output on these issues?

MR. S. LAGATAKI.- Mr. Chairman and Honourable Members, they just have to sit and discuss amongst themselves, including the Commissioner maybe to chair the discussion because everyone is benefiting. I believe they all should make a chip-in into the project.

HON. A. NABULIVOU.- To contribute to.

MR. S. LAGATAKI.- That is my qualified or unqualified opinion but I believe whoever is benefiting should have a chip-in to that. It is just a matter of discussion and agreeing, may be Government will come in and do its part, the communities, the private sector will come in and do their part, whoever is involved.

HON. A. NABULIVOU.- (Inaudible)

MR. S. LAGATAKI.- I believe if it comes to me, I will just call everyone together and then we will discuss it out and I think we will come to some kind of agreement.

HON. A. NABULIVOU.- *Vinaka vakalevu.*

HON. S.B. VUNIVALU.- In 2014, during the training in the *Tikinas* of Vaturu, I believe Rukuruku and Sabeto, regarding Global Goals No. 5 because it was mentioned that only about 18 percent were females and about 80 percent were males. This is with regards to gender equality on training participation in 2014, if you can just elaborate on that?

MR. S. LAGATAKI.- Mr. Chairman and Honourable Members, that is a very interesting question and we faced that issue, even when you went to Draubuta where almost all are females but we always raise this issue on trying to balance gender but in the *iTaukei* culture we cannot really tell them, "All right enough males, now get in more females" because sometimes the females are out in the kitchen doing the cooking and the males are out doing other things so I think maybe it is something that we cannot really run quickly with, it is something that has to slowly come in because there is a culture component in it. We see that some of the villages are taking it more quickly, some slowly, some are taking their time but it is something that we need to keep on pushing but even in some of the communities, it is going on very quickly, in some, it is going on slowly.

The issue in Draubuta, there are almost all the females, when you are talking about the landowners, you hardly see the males coming to the meeting. I do not know why but we continue to put that in our presentations, in our awareness meeting, the need to ensure gender equality.

MR. CHAIRMAN.- Permanent Secretary and the team, we are really blessed today for your presentation and the discussions that follow on and really clarified a lot of the questions that we have and also the doubts that we have in terms of looking at your Annual Report for 2014.

In the presentation from the Auditor-General Office's yesterday, there were a lot of anomalies but we are rest-assured now that everything has been addressed which is good in terms of looking at the way forward for the Ministry.

On that note, on behalf of the Committee, we thank you again for availing your time to be with us today. Whatever we have discussed today, we will put it together in our report, and we will present it in the Report to Parliament. We will be telling Parliament that all the anomalies and all these have been addressed and the target for moving the Ministry forward in terms of landowners' participation and also increasing the production from the Forestry Sector.

So on that note, PS and the team, we thank you again for availing your time today and we will be discussing your report again for the next few weeks.

If there is anything that we need more clarification on, our Secretariat will post in some e-mails and letters just for clarification and we understand there was a question on the logging sites

and also we would like to see 2020 (just two years from now), what is the plan for your Committee in terms of achieving that extra ten percent of conservation for our areas. Also we see in your report the mangroves that have been conserved, which is good. There is a lot of breeding ground for fish, birds and also the conservation in terms of the carbon credit, the REDD+, et cetera, so that we can integratedly go down to our landowners, their *mataqali* in terms of using their land for the Forestry sector.

As Honourable Dulakiverata has said, there is still a lot of land not being utilised. We visited the factory in Navutu where they are using Bainicagi as firewood. Also we have been briefed by the team that is going around for tulips and with all this, it comes down to the statement - what is benefit to the landowners? I think the landowners need to understand the benefit.

As we see, the sawmill is still owned by non-landowners, the private sector but the way forward in terms of the participation of our landowners is in looking at the benefits of the Forestry sector to them.

On that note, we thank you a lot for availing yourself today, and we wish you and the Ministry well in the future years to come, and also the new Budget coming at the end of this month, as well as the new year starting in August, *vinaka vakalevu*.

The Committee adjourned at 3.48 p.m.

**VERBATIM NOTES OF THE MEETING OF THE STANDING COMMITTEE ON
NATURAL RESOURCES HELD IN THE COMMITTEE ROOM (EAST WING),
PARLIAMENT PRECINCTS, GOVERNMENT BUILDINGS ON WEDNESDAY 28TH
JUNE, 2017 AT 2.00 P.M.**

Submittee: Department of Forestry

In Attendance:

- | | | | |
|----|-----------------------|---|----------------------------|
| 1. | Ms. Sanjana Lal | - | Conservator of Forest |
| 2. | Mr. Noa Vakacegu | - | Principal Forestry Officer |
| 3. | Ms. Akosita Lewai | - | Principal Forestry Officer |
| 4. | Ms. Olivia Vakaloloma | - | SEPO |

MR. CHAIRMAN.- *Vinaka*, Honourable Members, we will start our meeting this morning.

Members of the Committee, this morning we are blessed to have the team from the Department of Forestry. To the team: on behalf of the Standing Committee on Natural Resources, I welcome you this afternoon and we thank you for availing yourselves to be present here with us and also to present to us the Departments' operational performance in terms of the budget that has been allocated to the Department of Forestry in 2015.

So, on that note, we will hear from you and then we will discuss afterwards.

As Members of this Committee I would say at the outset that we are also comparing the two Reports - 2014 and 2015 but we have found some discrepancies in the figures in which we will discuss later on. We are seeking legal advice from Parliament because your Report has come to Parliament and Parliament to the Committee to scrutinise both the financial and the operational performance, and we will report back to Parliament. Part of the scrutinisation is for the team to come and present to us how well you performed financially and operationally in 2015.

So, on that note we welcome you and we thank you for availing your time to come and meet this Committee on Natural Resources and we now give you the floor for your presentation, *vinaka*.

MS. S. LAL.- *Vinaka*, Honourable Chair and Honourable Members of the Standing Committee on Natural Resources.

First of all, just apologies from the Ministry of Forests, our Permanent Secretary is in a meeting for Permanent Secretaries today and all of us were involved in the COP 23 Meeting at the Ministry of Finance. We just had a short call so we just rushed in and did this 2015 Presentation. We are thankful for having been invited to come and present because we really want to be critically reviewed on how we are doing our work. Also, the way we are reporting in our Annual Reports, where mistakes have been picked up so that we can improve on them in the future, especially, the figures.

I have found out that with the natural resources, there are so many sectors reporting on figures, for example, the volumes of the minerals, agriculture, forest areas, the percentage of agricultural land, and because the Government does not have a central government data bank portal, you will have them all dispersed here and there, and every time we report there will be difference

in figures. So, hopefully once we have a central data bank, it will be easier to report so everyone refers to that, whether we report nationally or internationally. So, I will just go into our presentation.

I am pleased to report the 2015 Forestry Annual Report. As stated the last time by our Permanent Secretary, our Vision and Mission was different at that time. In 2014 and 2015, the Visions and the Missions are still the same but different from what we have now. The Department's profile remains the same, it is still responsible for implementing the 2007 Policy.

As you know now it is very less since we had the 2007 Policy, it is time for that policy to be reviewed. When we had the 2007 Policy, we did not include the climate change aspect which is playing a major role now in our reporting so it is not actually captured in the 2007 Policy, so hopefully we will review this 2007 Policy.

Forest Legislation: as you know the Forest Bill 2016 is still here. We are still using the 1992 Forest Decree, waiting for this new Bill to become an Act so we can enforce it.

Our role is the conservation, sustainable utilisation and management of forest resources. That is what we are here for as a Ministry. We also issued licences on forest areas that need to be cut, as well as any forest commodity that has to be exported or imported.

Apart from that we also provide training. You are aware there is a Training School in Colo-i-Suva. We offer Certificate Courses in Forest Management as well as Timber Industry Training Centre for woodworking students and we provide training to the public, communities and to the industry. Anything from chainsaw operation to supervisor training and how to operate machines that are used in the forest and those are the areas that we work on. We do a lot of coordination with key stakeholders, particularly with iTLTB. They are our main key stakeholders as well as the industries but mostly it is with iTLTB.

Divisions: as we had presented the last time, Corporate Services and Planning, are looking after us, and we have the other Divisions that look after the public.

Management Services: this is where all the data is stored on the forest resources:

- ✓ Silviculture Research – doing research on how to raise trees and plant them;
- ✓ Training Division - provides training for new students for the resource owners as well as the timber industry;
- ✓ Timber Utilisation – based in Nasinu, it does research on timber utilisation;
- ✓ Forest Extension Service - in 2015, this was centralised but it has been decentralised now. It is gone to all the Divisions - North, West and the Central; Forest Park – our famous Colo-i-Suva Park that look after all our forest reserves and nature reserves.

In 2015, we still have 227 staff as you can compare with the 2014 Report, out of which 118 are Established and 68 are Government Wage Earners (GWEs). In 2015, there were 41 Projects staff. The budget that was allocated to our Ministry was \$6.2 million in 2015, this is an Operational budget. There was an increase of 12 percent compared to the 2014 allocation, and we utilised 99.8 percent.

Capital Projects: in 2015, we were given \$4.8 million which is again an increase of 52 percent, so, it almost half compared to 2014. The reason for this increase was when we started doing more work on maritime pine so we had an increased budget for projects.

Staff Establishment: as you can see that under the different SEGS, if you want I can go through them but as you can see, this was the total expenditure statement. We were given \$9 million with the total of \$189,985 of which the actual utilisation was \$9,011,995.

Forest areas: these are the areas that were misreported last time when we were doing the 2014 Budget Presentation. As you can see, this is divided into Western, Central/Eastern and Northern. These are the native forests, like pine, mahogany and mangroves. This figure is straight-out of the 2015 Annual Report: and the total is 704,203 hectares, for which 75 percent is Natural Forest - 526,453 hectares; Pine - 76,171 hectares; Mahogany - 58,978 hectares; Mangrove - 42,601 hectares. When we are reporting the hectares, this is the area that is leased by Fiji Pine Ltd. and FHCL. It does not really mean that these are the areas that are stocked. There is a lot of harvesting being done. This is just the area that is under them but the volume present has been decreasing over the years.

Log Production: As you can see for Native Forest - 51,091 cubic metres produced from Native Forest; Mahogany - 54,568 cubic metres; Pine - 393,519. If you look at 2014 and 2015 comparing both, you can see that there is a big drop in the pine production because initially they used to export eight boats of pine chips to Japan and China. Now the demand for chips has decreased because we are more into the technology age today so paper is being produced less worldwide hence they have less demand for pine chips, that is why we have a lower figure here - 499 for 2015 and 650 for 2014.

Sawmills and Treatment Plants: the total permanent statistic mills - 30; portable sawmills - 63. If you look at the Divisions, Central/Eastern - 31 portable sawmills; Northern - 14 portable sawmills; and Western - 18 sawmills.

Timber Treatment Plants: A total of 23; North - 7; Central - 8; Western - 8; Gau - 1 (new); Kadavu - 1, these are for this year. In 2015, there was none there.

Export Figures for 2015: -for the Pine Chips, actually the reporting figure is in metric tonnes. The others mostly we report in cubic metres. So, you can see the total value of products, the last column is the value of products. If you see, pine chips brought in \$43 million into the country for 2015 (largest exports); the next was sawn timber - \$26 million.

The components here are mostly the guitar components that come from mahogany - \$24 million. These were the exports going out of the country. For 2015, our total export value was \$100,210,755. So, that was the total value of forest commodities exported in 2015, so almost half of it was pine chips and a quarter was sawn timber and components.

The next slide,- Export for 2015:, as we put this into summary form, Pine Chips - 43.8 percent; sawn timber - 26.2 percent. These are the export figures.

Out of all the timber that has been exported, mahogany sawn timber - 92.9 percent; Pine - 0.6 percent; and native timber - 6.5 percent; 0.6 percent is normally the pine that goes out to these Pacific Islands - Kiribati, Nauru for their building. For Native Timber (6.5 percent), just small amounts to Australia and New Zealand.

Plywood Exports: This is mostly native species because FFI and Valebasoga are doing native tree plywood and pine is 1.74 percent.

Imports: In 2015, the value imported of sawn timber was about \$3 million imports coming into the country.

Plywood - \$2 million; poles - \$1.7 million (these are mostly the poles for FEA power lines, mostly eucalyptus. They get this into the country because Fiji Pine cannot provide them enough poles. That is why they have to import treated eucalyptus for FEA power lines. So the total of imports was \$15,294,427. If you compared it, the exports was \$100 million; imports was \$15 million in 2015.

Actually there is a slight error, it should be 2015. So, for this 23.6 percent, imports is sawn timber and 16.8 percent is plywood. Sawn timber is mostly radiata pine, as I had mentioned, from New Zealand which is the Structural Grade F7 and they make up 98.3 percent of the total sawn timber. So the imports mostly are sawn timber radiata pine from New Zealand.

The plywood that is being imported is mostly due to some companies that require special specifications, something that FFI and Valebasoga do not produce locally, so that is why we have to import plywood.

Forest Harvesting Trainings: these we have conducted, and per training there would be about 556 participants in 2015, most of it was for the awareness of the Fiji Forest Harvesting Code of Practice. We had some on the First Aid Bridging Course then we have the Supervision Modules 1, 2 and 3. This is the supervision for supervisors who look after any harvesting operations.

Harvesting Plan Training: this is for training people on how to prepare harvesting plans. The harvesting plan is one of the requirements for a harvesting licence. We had 51 skilled tests and 10 machine tests. These are machines that are used in harvesting.

Technical trainings: we have a total of 139 stakeholders and 247 resource owners who have been trained in technical training. Actually, if you look at the 2014, 2015, on the forest reserves, we are reporting the same figures because we have not really acquired any extra reserves, either forest reserves or nature reserves. So the same figures are being reported for 2014 and 2015.

Other Parks and Reserves: these are not really under Forestry. These are managed either by NGOs (Non-Governmental Organisations), even some of them are resource owners like the Bouma Forest Park, so we have just mentioned it here because they make up the conservation areas in Fiji, but Forestry just looks after the timber, forest reserves and the nature reserves.

This is the same as we reported for Sovi Basin and Emalu 20,000 hectares and 7,000 hectares in Emalu which has just recently been legally protected, but in 2015 it was not so that brings the total conservation area to 7.3 percent. But the forest areas that are under Forestry which is managed by Forestry and legally protected by Forestry is only 34,797 hectares, out of that 78,801 hectares, so, these are just the forest and nature reserves.

So, that actually brings to an end our presentation for the 2015 Annual Report, and the slides after that are actually put together by us on the issues that were raised in the last meeting on Wednesday last week. So, if you want, we can go through it now or later.

MR. CHAIRMAN.- You can go ahead.

MR. S. LAL.- I think the issue that was raised in the last meeting when we presented the 2014 Annual Report, was on the conservation targets and what are our plans in achieving those targets?

This figure (17 percent) is not a Forestry target. Fiji has ratified the UN Convention on the Conservation of Biological Diversity (UNCBD) in short. Under UNCBD, on the targets, Fiji has

committed themselves to conserving 17 percent of terrestrial biodiversity in terrestrial areas and 10 percent of marine areas. So, this is where that 17 percent figure is actually coming from.

The next slide actually explains that Fiji has committed to protect 10 percent of its seas and 70 percent of its terrestrial areas. This legal protection of 2.7 percent is the one I had mentioned in my earlier presentation by the Ministry of Forests, 2.7 percent under legal protection but as we had presented in the 2014 Annual Report, we have already achieved 7 percent, so we are left with 10 percent; 2.7 percent is just what is under legal protection. The rest are under other NGOs and communities.

Protected Area Committee: This is made up of different stakeholders, as well as the different ministries. They have identified that 17 percent of our terrestrial species can be protected and that is what is shown on this map up here (indicating). Those are the areas that we would like to protect and which we would protect. This excludes mangrove because mangrove will come under marine protection. We have a project which is called GEF PAS 4 Global Environment Facility - Pacific Alliance for Sustainability Program 4 (GEF PAS 4). Under this project, they are developing a policy framework for protected area. In that policy, we will have an idea of how we can accumulate that 10 percent that we need to meet by 2020.

For the Ministry, our conversation plans is Wabu and Tomaniivi. We wish to expand Wabu and Tomaniivi because those areas are high on the ridge and we cannot do harvesting up there, so they can be part of our 10 percent extra that we are aiming to conserve.

Increase of REDD Plus Sites: currently, only the landowners from Draubuta have shown their interest to conserve their area under REDD Plus. So, we are hoping that with more awareness more people will come on board because it is a slow process, that is why we do not see much people coming on board but we intend to increase REDD Plus sites for carbon trading in future to achieve that 10 percent.

Establishment of New Forest and Nature reserves. We have plans to have two more reserves in Delaikoro and Vunivua. We have been talking with the landowners and hope to get their buy-in for the reserves.

New Forest Parks: we are also currently establishing new forest parks and this will also add on to that 10 percent that we are aiming to get by 2020.

Water Catchment Areas: as you know in the logging plans, there are certain areas around the water catchment that you cannot log into, so that will also add up to our figures. With those, we are hoping to get our 10 percent by 2020. We will also be providing a list of documents to this Committee, namely:

- MESCAL Report Mangrove Eco-System Conservation and Livelihood, this report is on the mangroves in the Rewa Delta;
- International Tropical Timber Organization (ITTO) Project Report;
- Draft Mangrove Policy; and also
- Forest Policy which restricts the mangrove licence.

So, these are the documents which we will provide to you for the issues that were raised on conservation areas.

Carbon Credit: the issue that was on carbon credit was not REDD Plus carbon trading and compensation that was raised last week. The Ministry was asked to do an awareness on this carbon

payments and REDD Plus. So, with this carbon payments, actually how much carbon credits on the trees is something that is still under discussion.

When we do awareness we just mention the reason why we want to do REDD Plus, why we want to protect the trees, and the benefit is governed apart from other ecosystem values that each community will have.

So, under the REDD Plus, as you know we are in the REDD Readiness Phase. I just have a suggestion for the Committee, if you would like, we can have one of our REDD Plus Steering Committee members or our chairman to come and talk about REDD Plus so that you would get it. REDD Plus is a very complicated topic and it will be good if someone from the REDD Plus Committee is able to be given a time to come and present on what is REDD Plus because from the 2010 REDD Plus Policy, it is now 2017, it is seven years, and now we still have not been able to sell carbon, just because we are still in the Readiness Phase where we have to gather all these information, provide all these documents, provide a forest reference level so that we can know how much carbon we can trade. So, if the Standing Committee would like, we can also do a presentation just on REDD Plus to explain how it works.

We will also provide documents on the REDD Plus Pilot Site, the REDD Plus Unit with Ministry of Forestry, the REDD Plus Policy and the REDD Plus Work plan. This REDD Plus work plan is from now right up to 2024.

The third issue that was raised last week was on logged and unlogged areas, so we have attempted to put together a table for the three resources, mostly pine, mahogany and the natural forests.

Pine: in 2014 – 29,365; 2015 - 29,531 hectares. It was increase because of the replanting that they did in 2014 - 1,462 hectares; the area logged in 2014 - 1,628 hectares; 2015 - 1,232 hectares. This is just the figures from Fiji Pine Limited but does not include the pine that belongs to the communities under the Pine Schemes.

Fiji Hardwood Corporation Limited (FHCL): I just wish to mention to the Committee that it is very difficult for the Ministry of Forests to get figures from FHCL. They do not want to share the figures because they have a separate decree and the Conservator is not supposed to do anything on FHCL areas. So, it is very hard to get figures but we are able to get figures because we know there is someone inside there, so that is how we get our figures. But for this mahogany, it will be good for the FHCL to also make a presentation on what they have been doing over the past few years.

In 2014, they logged 130 hectares and in 2015, they logged 107 hectares.

In 2014 and 2015, they did not replant any areas so it was just all harvesting and no replanting.

Native Forests: on the amount logged, 2014 - 781 hectares; and 2015 - 903 hectares so those are the three issues that came up in the last meeting.

If there is any more questions on these we can also provide Excel Spreadsheets with all these logged areas and unlogged areas in Fiji.

Sir, Chair and Honourable Committee Members, those are the two presentations from the Ministry of Forests, and if you have any questions, we will be happy to answer them.

MR. CHAIRMAN.- *Vinaka*. Thank you, Conservator, Honourable Members of the Committee, that is presentation before us, are there any immediate questions on the presentation?

HON. S.B. VUNIVALU.- Mr. Chair, thank you, Conservator, for your presentation. On the last one in regards to the Fiji Hardwood Corporation Limited, this one is questionable. We do not know the truth about it because you have mentioned that this came from someone that you know from there. I think this one is not a qualified report for us.

MS. S. LAL.- Yes, I agree I think that should come from the horse's mouth, so to speak.

MR. CHAIRMAN.- If we can we go back to the presentation, these are some of the discrepancies that we found in the two reports.

2014 - 38,693; 2015 - 39,000 hectares; but the figure has increased but there was no replanting, but your figure shows there was logging done, how come the hectares increased when there was no replanting but there was logging took place? From us, we expect the figure to decrease. We have questioned your two Reports, while comparing the two reports, maybe an example, we go back to the Report on the discrepancies that we found which we have sought legal advice from the Parliamentary Secretariat. If we start with the Forest Area (forest resource-based), 2014, Western Division in terms of native timber - 341,625 hectares; 2015, Western Division, Native Timber - 125 hectares, a big drop of 216,276 hectares, is this realistic?

MS. S. LAL.- No, there is an error in the 2014 Report.

MR. CHAIRMAN.- All right, these are public documents now?

MS. S. LAL.- Yes.

MR. CHAIRMAN.- These two are public documents, it has come through Parliament, so what we are telling the Ministry now, the figures that are in these two Reports are wrong. While going through, we have made some analysis for the figures and all the figures are wrong. Only the Fiji Pine figures we found that it is consistent - from 2009, 2010, 2011, 2012, 2013, 2014 and 2015. But the other figures, we are not sure where these figures come from but when you look at the graph on National Log Production, even the figures for 2012 for native timber - 30,000, and most of these figures, even the years, it was one set of figures for 2014 and another set of figures for 2015. So, we want to work with you on this and we have been given two options - to present it to Parliament as it is, but we thought that will reflect badly on the Ministry.

MS. S. LAL.- Yes.

MR. CHAIRMAN.- But we have gone for the second option, that is to write to Madam Speaker because these are public documents that come through Parliament. We will highlight these discrepancies and if the Report can be withdrawn, give it back to you and you have to come back with the real figures.

MS. S. LAL.- Yes, I think we can correct the Report. We will recall the ones that were sent out, we recall them and then we make the two new Reports.

MR. CHAIRMAN.- Because if you give this to students in USP or FNU, we are not doing justice.

MS. S. LAL.- Yes, I agree.

MR. CHAIRMAN.- Because these have are public documents, we have done enough scrutinisation and also we will come up with the recommendations on the figures that are wrong and we will write back to Madam Speaker and maybe in the next sitting of Parliament, through Madam Speaker, to withdraw the two Reports and take it back to the Ministry, and if you can come back with a true reflection of what did happen in those two years.

MS. S. LAL.- Yes, I think that is quite all right with us.

MR. CHAIRMAN.- So, that is also the option that we have agreed today. We were just waiting for you to come and present to us. An example is the slide, the hectares increased while there was no replanting, because logging was taking place but the hectares still increase. I think you will agree with us.

MS. S. LAL.- Yes.

MR. CHAIRMAN.- We will do a bit more analysis and scrutinisation of your Report. We will write to Madam Speaker for the Report to be withdrawn and be given back to you.

MS. S. LAL.- All right, that includes the 2015 one?.

MR. CHAIRMAN.- Both the reports to be withdrawn so that it is not a public document where we will not do justice to people who use the Report because of the inconsistencies and the discrepancies.

But from us, Conservator and the team, we thank you for coming and availing your time today, but that is the option that we have agreed as a Committee. We will take it back to Madam Speaker to be withdrawn from Parliament and give them back to you and we hope that the Ministry will come with the real performance figures of the Ministry in terms of 2014 and 2015.

So, on that note, we thank you for coming and we wish you well, and from Parliament, the report will come back to you, *vinaka*.

MS. S. LAL.- All right, thank you very much, just to mention that the three issues that were raised we will be providing documents that are related to those three issues for your reference, so the REDD Plus Policy is quite clear, talks a lot about what is REDD Plus.

MR. CHAIRMAN.- We have noted the REDD Plus and the carbon trading, we have read through your presentation on that just for our understanding of what is there. We will get back to you, but the experts can come and present to us.

HON. RATU K. KILIRAKI.- Thank you, Mr. Chair, through you, if I can make a comment probably if this is an indication of your Report Presentation, this is only 2014 and 2015, but 2016 and 2017 are coming also. If it is recurring that you just take it over the years, probably it will be good for you to make a check too on your next Report. What is important is because this has come through to Parliament which is very important.

For the reflection on the performance of the Ministry, especially the Permanent Secretary, who will be responsible for this presentation of a false Report to Parliament. I must emphasise that because that is very important, presenting a false Report in Parliament, that will have great consequences as far as the performance of the Ministry, the Permanent Secretary who will be taken to task for this one. So we have discussed that the option as Mr. Chair had said this is to go directly to Parliament and present the Report that it is a false Report, that is the first option, so we have

opted for the second one to go through Madam Speaker, so the release tones down the effect of the presentation of these Reports, so, that is my emphasis on this.

MR. CHAIRMAN.- That can be relayed to the Permanent Secretary. This Committee is just like a Code of Justice, whatever is presented here is supposed to be the true facts of the Ministry.

MS. S. LAL.- Yes.

MR. CHAIRMAN.- What we have found out, yes, there are some anomalies and recurring errors from yester-years that are still going on but there is no consistency of the figures.

But we have taken the softer option. We will write back to Madam Speaker for this Report. It is now a public document to be withdrawn and we will get back to you, you can come back with the true figures of 2014 and 2015. *Vinaka*.

The Committee adjourned at 3.30 p.m.

**VERBATIM NOTES OF THE MEETING OF THE STANDING COMMITTEE ON
NATURAL RESOURCES HELD IN THE COMMITTEE ROOM (WEST WING),
PARLIAMENT PRECINCTS, GOVERNMENT BUILDINGS, ON THURSDAY, 20TH JULY,
2017 AT 2.15 P.M.**

Submittee: Ministry of Forests

In Attendance:

- | | | | |
|----|----------------------|---|--|
| 1) | Mr. Samuela Lagataki | - | Permanent Secretary, Fisheries and Forests |
| 2) | Mr. Noa Vakacegu | - | Principal Forest Officer (PFO) |
-

(The Deputy Chairperson welcomed Honourable Members, Ministry of Forests' Management Team and Parliament Secretariat present at the meeting, before inviting the Permanent Secretary for Fisheries and Forests to commence with their presentation.)

(The Permanent Secretary in response, thanked the Committee for the invitation to appear before the Committee, and commenced with their presentation.)

MR. S. LAGATAKI.- Deputy Chairperson and Honourable Members, I am going to present briefly on the specific areas on which questions have been raised with regards to the discrepancies that are found in the statistics in the Annual Report, this is basically with regards to the Tables.

The presentations that I am going to present is with regards to Table 1 of the Annual Report 2014, as well as the same Table in the 2015 Report with respect to Figure 1 on the Log Production in the Tables of the 2014 and 2015 Annual Reports. These have been printed out in the hand-outs that are in front of you but if there are other areas that you might want us to discuss, we can also discuss that once we finish with the clarifications on these two Tables.

Mr. Chair, if we go to Table 1 on the first slide, you will see that it details the Forest Areas, Stocking and Total Volumes for the 2014 Annual Report.

You will see the total of 1,074 (ha) hectares of natural forests and using the Stocking on the Forest Area Volumes on Table 2, if you multiply that, you will get the Volumes at the bottom, just for Natural Forest.

DEPUTY CHAIR.- Permanent Secretary, can we just wait for a while, we just want to get a copy each of what you are quoting from - Forest Areas, Stocking and Total Volumes for 2014 and 2015 Annual Reports. You can carry on.

MR. S. LAGATAKI.- Deputy Chairperson and Honourable Members, at the bottom, you will see the following figures:

Forest Type	Western (M ³)	Southern (M ³)	Northern (M ³)	Total Volume (M ³)
Native	17.7 million	20.9 million	21.8 million	60.4 million

This is using the total Forest Areas, Stocking on 2014 Annual Report (that is multiplying the Natural Forest Areas by the Native Forest Volume Stocking) - that is shown in Tables 1 and 2 of 2014. If you multiply 341.625 (ha) x 51.801 (ha), that will give you the Stocking of \$17.7 million.

If we go to the 2015 Report, you will see a different area - Stocking (that is mentioned in there) totally different to that in 2014 and 2015. I will give the clarification and the reason why there is a difference in this.

The 2014 data set on the next slide (Slide No. 3) focuses on the 2014 (Forest Functions) as follows:

Forest Areas : 2014 & 2015

2014 data (Forest Functions)

- Collected using Remote Sensing data analysis & GIS (this is how the area is devised);
- Focused more on Biodiversity and Ecosystem Services; and
- Ignores timber production potential of natural resources.

2015 data (Forest Production)

- Collected using GIS, and Forest Inventory Data Sets collected from the field using Permanent Sample Plots;

(To my right is Mr. Noa Vakacegu who was conducting these inventories during this year.)

- Focused more on areas for Timber Production;
- Forest classes for Timber Production Forests focusing on potential areas for Sustainable Forest Management.

Our 2016 Annual Report is going to be focusing more on both of these areas. Our past reports have not been captured in both of these areas and because of the different definitions that we are coming up with, we are trying to capture both of these forest areas, so this is where the discrepancy comes in. It is a totally different definition reporting on different forest areas, so both data sets are still correct as it is but reporting on different forests; one is reporting on functions; one is reporting on production.

If we go to the Log Production 2014-2015 (next slide), again you will see discrepancies. The next slide shows the explanations as follows:

- ✓ Variation in production figures between 2014 and 2015 is due to adjustment on historical data that was carried out in 2015 on the Timber Revenue System Database to ensure accurate reporting. This resulted in the correction of historical data already published, so we cannot go back, change and meddle with the 2014 figures but we have to change it in the 2015 Report. This is standard reporting procedure in the Forest sector where if you have historical data that you found errors in, you have to use the latest, therefore the 2014 data was correct at the time of publication according to the information available at that particular time; and
- ✓ For different data sets reported in a sequence of years, we recommend that you use the latest set of data. This practice is also used in international data reporting under FAO

Forest statistics that if there is a discrepancy, FAO will always take the latest set of information.

This is because we have a computerised database where we always run totals, so our statistics officers are working on data scrubbing, correcting if they see errors in entries, they always go back and re-run it but once we find corrections, we would go back and do the corrections. We do not leave it there and just keep on, and this is what has been happening in the past. There was no ability to go back and correct historical data because of the system that we have. Now that we have the database, we can always go back and correct but when you run the totals (which are different), you have to report it in your latest report. So those are the clarifications that we have for the Committee this afternoon, Deputy Chair.

DEPUTY CHAIRPERSON.- *Vinaka Vakalevu*, Honourable Members, do you have any questions? You have heard what the Permanent Secretary and the Principal Forest Officer have explained in detail clarifying all those for us.

HON. RATU K. KILIRAKI.- Deputy Chairperson, in a nutshell, whilst we appreciate your explanation, Permanent Secretary, how do you summarise; can you give us some degree of what we have identified as the discrepancies and your explanation so that we can understand?

MR. S. LAGATAKI.- Deputy Chairperson and Honourable Member, in summary, I would suggest that we always use the latest figure available, so once the 2016 figure comes, we suggest that we use the 2016 figures and not the 2015 figures, because we always have a series of years. In that way, we will always ensure that the current data that we have reflects what is in the database at our Headquarters, so we suggest that we follow the statistics we use in our 2015 Annual Report.

DEPUTY CHAIRPERSON.- That means in your 2011, 2012, 2013 Annual Reports, you were not using the 2014-2015 statistics?

MR. S. LAGATAKI.- Yes, if we were in 2014, the best information is the 2014 data set. Now that we are in 2015, we disregard the 2014 data sets and when anyone is quoting, we request that they use the 2015 data set. This is also in line with the reporting on United Nations Framework Convention on Climate Change (UNFCCC) - that we use the latest. We always use the latest information based on the current best information that we have at that particular point in time, that is why we have a sequence of years.

HON. RATU K. KILIRAKI.- Deputy Chairperson, for our understanding, given the discrepancies on both reports, like you are suggesting, you take the latest one, how can you explain for us to be able to understand the two sets of discrepancies? From our own understanding as we see the figures, we have identified the discrepancies in the Volume or the Area; how can we write a report? Practically, from your professional side, as you were explaining to us, how can we put that in a report form to be able to give us the satisfaction that those two differences of discrepancies in the figures we are able to write a report with the explanation to that effect?

As for us, we have no background in forestry and all the procedures that you do in Forestry, and as we see the figures, we make our own interpretations on the figures and the report. So to be able to give us the satisfaction to write an explanation on the discrepancies, say, if you were in our position, how can you put that in our final report in regards to the Annual Reports?

MR. S. LAGATAKI.- Thank you very much, Honourable Member, there are two explanations, one is for the areas and the other is for the Log Volumes. The one for the areas are derived using two different methods.

In the 2014, you will see that it is derived using Forest Functions multiplied by Timber Volume, you end up with 60.4 million m³, that is in the 2014 Report, that is if you are using Forest Functions.

For the purpose of Timber Production, these 2014 figures are not going to be very helpful for sawmillers but it is going to be very helpful for people that are doing ecosystems, biodiversity and they are the 2014 figures.

The 2015 figures reflect on what standing timber warrants areas that we can use for sustainable forest management, so these are the two different methods; one is focusing on forest functions and the other one is focusing on forest production. The 2014 is on Forest Function and the 2015 is on Forest Productions. As for the 2014 and 2015 Log Production, for the 2014 Annual Report, the data was corrected at that time.

In 2015, I always tell our staff at our database to always go back and scrub the data, to ensure that what we have and what we are reporting like the dates, years, everything is correct. If the data is coming in late for 2014 and are arriving in 2015, it will be entered in 2015 and then change the 2014 Volumes. So you have to go back but when we close the entry for the data collection in 2014 during 2015, if additional data would come in, we will punch it in but then it will be different to what is already reported in 2014 that will be reflected in the 2015 Report.

If there are errors in the dates and entries, we will go back and correct it but the correction will come out in the 2015 Annual Report, we cannot go back and change the 2015 Annual Report, it is corrected at that time of publication. That is the best information that we have but I think, Deputy Chairperson, that the best thing to do is to go back and do the correction, rather than knowing the correction but you do not want to keep a wide eye on it and do not come out public with it. There needs to be a correction that has to be done but it will be done in 2015, not in the 2015 Report, so I would say that the data was correct during the time of publication.

HON. RATU K. KILIRAKI.- Deputy Chairperson, which means that if you had an error in 2014 and you identified that in 2015, do you have any update anywhere in the report to say that you have had some discrepancies in your previous report so that you can take that on board in your current report; let us say, if there is any discrepancy in 2014, once you issue the 2015 report, you have some kind of acknowledgement there to say that there are some discrepancies in the 2014 Report that we have addressed in 2015, in that sense?

MR. S. LAGATAKI.- Currently, we can do that in the 2016 Annual Report if there is a suggestion that we do that, but the reason why we do not do that is because we always take in the fact that we will be sticking to the latest, whatever latest information is there, we will always refer to it because it will be the result of scrubbing the data set to ensure that it is clean, it is always reflecting on what is actually in the database itself.

HON. S.B. VUNIVALU.- Deputy Chairperson, through you, Permanent Secretary and the team, could we just look into this first one - the Forest Areas, Stocking & Total Volume for 2014, the top part says "Western (Ha), Central/Eastern (Ha), Northern (Ha), Total (Ha), Percentage (%)" if we look at the bottom of the Table, there is "Western (M), Southern (M), Northern (M), Total Volume". My question is, at the bottom part, where is the "Central/Eastern (Ha)"?

MR. S. LAGATAKI.- Deputy Chairperson, actually "Southern and Northern" is just the same as "Central/Eastern". Sometimes it is vice versa, some call it "Southern", some call it "Central/Eastern." While there is some confusion on the Southern, Central/Eastern but it was always "Southern", we just changed to "Central/Eastern" because we ought to be consistent with everyone else, but it is basically the Central/Eastern that is called the "Southern".

DEPUTY CHAIR.- Central/Eastern is included in the Southern?

MR. S. LAGATAKI.- Central/Eastern is combined together and called Southern.

MR. S.B. VUNIVALU.- I think there is the "Central" and "Eastern" - they are two different divisions; one is the Central, one is the Eastern; and one is the Southern as far as these are concerned. How do you put them together to make them like that, because we know that the Central Division is where we are at present, and the Eastern Division includes the maritime areas, but where does the "Southern" come from?

MR. S. LAGATAKI.- Deputy Chairperson and Honourable Member, if we go and see our Forestry Department map, it is a different map but the divisions are what we call the "Southern" in our map. If we go to our Headquarters you will see this map in all our Forestry Offices - the "Central Eastern" is what we call the "Southern".

I think this started from the colonial days, they have been calling it "Southern" all the time. I think the Conservator of Forests has a totally different map, yes, we call that DFO (Divisional Forestry Officer) Southern, based in Nausori, so the Senior DFO Southern looks after the Central, Eastern and Southern.

DEPUTY CHAIRPERSON.- Central and Eastern are all included as Southern?

MR. S. LAGATAKI.- Yes.

HON. S.B. VUNIVALU.- Why I brought this up is because it is written here, on top it says "Central/Eastern", at the bottom it says "Southern"?

DEPUTY CHAIRPERSON.- Can you clarify that, Permanent Secretary - on top it says "Annual Report - 2014, 2015 Western (Ha), Central/Eastern (Ha), Northern (Ha), then below or at the bottom, only "Southern" is there replacing "Central/Eastern"?

MR. S. LAGATAKI.- I think you are talking about the Forest Type, Stocking, it is basically the same thing - whether you call it "Southern", "Central Eastern", it is still the same thing.

DEPUTY CHAIR.- That is the Forestry formula - all-in-one, sometimes it is called "Central", "Eastern" or "Southern".

MR. N. VAKACEGU.- Deputy Chairperson, that is normally the name that we call for the Southern Division which started from the colonial days where we call it "Southern" then lately, we wanted to streamline the name as with other ministries, they call it "Central/Eastern" so that is why we are moving on to Central/Eastern currently, but we normally use this name "Southern" for the "Central/Eastern".

HON. RATU K. KILIRAKI.- Can we just refer to the Reports that we have, 2.1 on the 2014 and 2015 Reports; on 2.1, Forest Resource-Based - Table 1, Forest Areas and its Coverage Within Fiji, that is 2014.

Also 2015, Forest Areas and its Coverage Within Fiji, so on the Table - Native, for 2014 - Western (Ha) - 341,625 hectares; for 2015 - Western (Ha) - 125,349. That was what caught our attention. If you total that up: Pine, Mahogany, Mangrove, for Mangrove [Western], 2014 - 14,273 (Ha), whereas in 2015, it came down to 2,823 hectares. The difference came to about 227,726 hectares which we could not find an explanation on that one, there is a vast difference. For the Natives in 2014, it was 341,625 hectares; in 2015, it was 125,349 hectares, about 200,000 hectares difference altogether. They thought there was a lot of development or farming or whatever.

MR. S. LAGATAKI.- Deputy Chairperson and Honourable Member, like I mentioned, 2014 data set has collected a different methodology, different purpose, likewise for 2015, a different methodology, different purpose. You might appreciate if you look at the literature for the mangrove areas in Fiji, different organisation reporting different figures, starting from 18,000 hectares right up to 56,000 hectares, there is a range depending on where you are quoting from. But for Fiji, the way we have been deriving the area of mangrove is on remote sensing and what we define as “mangrove”. So if you define “mangrove”, there is a totally different definition in the 2014 and a different definition in 2015.

If you include “*tiri*” and all the “*uto ni bulumakau*” and call that as “mangrove”, you will have a big area of mangrove. If you only include “*tiri*” and “*dogo*” you have a totally different area of mangrove so this is what is happening in the 2014. We were trying to be very realistic in the 2015 to really concentrate on what you really call “mangrove”. Do not include all the “*tiri*”, “*uto ni bulumakau*” and everything else, only “*tiri*” and “*dogo*”, nothing else, so I think that is what greatly reduces the figure.

The quoted figure before the survey figure was around 80,000 hectares for all over Fiji, ranges from around 18,000 hectares to around 30,000 hectares but when we have the remote sensing (satellite) coming in, this is what we are trying to come to terms with, so this is where we need to be very realistic on what we have on the ground.

Like I said, in the 2016 Annual Report, we will again be addressing this issue on the different methodologies and purpose for why these figures are collected, Honourable Members.

HON. RATU K. KILIRAKI.- That will be the same on the Native also?

MR. S. LAGATAKI.- Yes, Honourable Member, that will be the same for the Native which is only targeting production, the areas that it can get timber out of.

For the 2015, it is talking about everything, *African tulip*, *balabala*, et cetera, all counted in the 2014-2015 which is just focusing on where you can get something from the sawmills.

HON. RATU K. KILIRAKI.- 2015 is the sawn productive timber?

MR. S. LAGATAKI.- Yes, that is for the smaller areas.

HON. J. DULAKIVERATA.- Deputy Chairperson and Permanent Secretary, thank you very much for the explanation. I think the only problem that we encountered here is because we are looking at it from a layman’s point of view because our task is to scrutinise all the reports, but when we come out with the discrepancies and without the explanation that you are telling us now, that is why we have raised these questions.

I think, for the report to be fully understood, it should have those explanations that you have told us, otherwise we would not have come to you with these, and that is the purpose of the reports. Your audience or readers will understand the contents of the report as they look at the statistics and compare figures. If we have that explanation, we would know the difference but I think with your future reports, you should have more technical explanations so that the people will understand what is in the report.

MR. S. LAGATAKI.- Thank you very much, Honourable Member, I fully agree with that. In the 2016 Annual Report, we will fully clarify and again we will be putting these figures and then the pre-2016 figures, as long as they are coming in and we will address more on what the questions that are coming now, ensuring that we do not have future questions coming for more clarifications. I think this has also been a learning curve for us, to know the questions that are coming for clarification and to ensure that in our future Annual Reports, that we address this type of issues.

DEPUTY CHAIRPERSON.- We have come across something that the Honourable Dulakiverata was saying. We have a comparison of 2014 and 2015, and as he had advised, we know now that there are some differences to compare between 2014 and 2015 because the figures are not as accurate as what we expect. Through your explanations now, we are able to know the formula for Forestry. There are some figures here, but Forestry has the formula, which we had not known but we know now, as you have explained everything there just as Honourable Dulakiverata said.

So once again I thank you so much for that. Our Honourable Members are appreciative now for the presentation this afternoon, we are able to know the right and the exact truth of the Reports for 2014 and 2015.

Any other questions, Honourable Members?

HON. RATU K. KILIRAKI.- Deputy Chairperson, this may be a separate issue too because we have the reports on the mahogany. What we did receive from the Conservator that the statistics that you put in the reports were not really official. It was a report coming out through someone there sourcing the information - the figures. That is why we had doubts too on the mahogany with regards to the statistics that are provided in the reports, so we had suggested if there were some more official information coming from the Fiji Hardwood Corporation Ltd., whether you can confirm that information because when that was mentioned, we had doubt on the statistics for the mahogany for the 2014 and 2015.

MR. S. LAGATAKI.- Thank you very much, Honourable Member, can we see which particular Table are we referring to?

HON. J. DULAKIVERATA.- What the Honourable Kiliraki is saying that the Conservator advised us that the Northern figures here for the 2014-2015 reports have been given by someone boarding there, not officially from the FHCL Northern Office, so if that informer is wrong, it may not be accurate so what the Honourable Kiliraki is saying, if it could be based on the information provided by the Fiji Hardwood Corporation Limited rather than from an individual so we can try and confirm this.

MR. S. LAGATAKI.- Thank you very much, Honourable Member, we obtained the official figure from the CEO himself. If there is new evidence, we have done the correction for all the data, I think it was incomplete regarding that, and we also had it here with us.

DEPUTY CHAIRPERSON.- Permanent Secretary, just one question about the Bill regarding mahogany which is under FHCL, it is still on decree, how do you address that because we want to put that in our report?

HON. RATU K. KILIRAKI.- Permanent Secretary, the Forest Bill went through us, and is still with the Solicitor-General, it has to come back. That has been a long process, probably, it will need some more amendments on the Forest Bill. In one of the sections, it says that we do not touch the mahogany.

HON. J. DULAKIVERATA.- Mahogany is not included in the Forest Bill.

DEPUTY CHAIRPERSON.- Yes, it is a decree there.

HON. RATU K. KILIRAKI.- One advice that we got that we should ask the Permanent Secretary for Forestry or inform him on what can be done, put the mahogany into the policy.

HON. J. DULAKIVERATA.- What is your view?

MR. S. LAGATAKI.- Actually, for the purpose of reporting, we need somewhere to be reporting the total for our country and it needs someone to be maintaining it. If we do not have the mahogany reported under the Annual Report of the policy partners then you are not having a holistic view on what the Forest sector is, what the Total Forest Area is, what the Total Area (Log) is.

We have to have a bottom line for the whole of Fiji which includes Natural Forest, Pine and Mahogany and then you total them up at the bottom. If you do not have mahogany in there, then your bottom line is not showing the total for the whole of Fiji, so I think in terms of reporting, we need the figures because we are reporting on everything and we just need the figures. For international reporting as well, we need the total Forest Areas, total Areas for Log.

I believe the Mahogany Decree might need more clarification from the Solicitor-General's Office whether it also includes reporting because I do not think it includes it. Why, because reporting of statistics for the purpose of fairing a total figure because when you report to Parliament, you need to report the totals. We cannot report partly or provide partial reports, but in terms of enforcement and other things, I think in terms of reporting for national statistics, I think, that is effective.

DEPUTY CHAIRPERSON.- Permanent Secretary, one more request on these discrepancies, we would like to request you if you can give an explanation on what the Committee has done on the differences because we want to know so that we can put a time, as you have already explained, it will be good for us if you provide that.

MR. S. LAGATAKI.- Thank you very much, Deputy Chairperson.

DEPUTY CHAIRPERSON.- We will send you the soft copy through our Secretary.

Any other questions, Honourable Members?

HON. RATU K. KILIRAKI.- Still on the mahogany because in the 2014-2015 Report, you have a graph on Log Production including mahogany, we will come back to that question. The fact as highlighted now that you need for reporting purposes on mahogany, which you do not have currently right now because of the decree.

MR. S. LAGATAKI.- No, I did not say that we do not have it. We have now, we always get it from the CEO of Fiji Hardwood Corporation Limited. We have the mahogany figures for reporting.

DEPUTY CHAIRPERSON.- Permanent Secretary, do you have any final comments for us before we adjourn this session?

MR. S. LAGATAKI.- Thank you very much, Deputy Chairperson and Honourable Members of the Committee, certainly, we thank you for allowing us to come and make this clarification. Certainly, this is going to be on our 2016 Annual Report. We will be making more clarification as well on all these and I would like to take this opportunity to thank you for the opportunity this afternoon, thank you very much, Honourable Members.

DEPUTY CHAIRPERSON.- Honourable Members, it is time to thank the Permanent Secretary and the Principal Forest Officer for all the presentation and the clarification on what we have been doing around. We hope that we will invite you some days in the future for more Annual Reports and Bills.

With those words, Permanent Secretary and Honourable Members, thank you so much.

The Committee adjourned at 3.10 p.m.