

PUBLIC ACCOUNTS COMMITTEE

Follow-Up Audit Report on the Management of the Land Reform Program

QUESTIONS

1. Policies Governing the Administration of Land Reform

- 1.1 Advise the Committee on the current status of the SOP for the Land Use Division?
- 1.2 Advise on the status of the Performance Bond Policy?
- 1.3 How does the Ministry ensure that the right land is properly mortgaged?
- 1.4 Advise on the status of the policy or procedures for administering state freehold land? The Committee noted that the revised response received by OAG - you have disagreed. Please explain the reason why, as the Ministry has advised that it plans to finalize this within the next 6 months.
- 1.5 Please provide details of land administered under the Buy-Back Scheme? What is the current status of this Buy-Back arrangement?
- 1.6 How has the Ministry incorporated the Fair Share of Mineral Royalties Act 2018 into its processes and procedures?

2. Systems and Processes for Land Designation and Allocation

- 2.1 Has the LUD developed and implemented an evaluation system to review the effectiveness of information disseminated through its awareness and consultation sessions? If not, why not?
- 2.2 Does the Ministry have an effective approach in planning and creating awareness activities for the dissemination of information?
- 2.3 What is the status of the Ministry conducting a capability study prior to designating land? The Committee noted that LUD plans to amend the SOP to incorporate the new practice of prioritising viability tests than capability/feasibility studies. Has this eventuated? If not, please explain and what are the criteria?
- 2.4 Has the Land Use Division amended the existing SOP capturing the appropriate time to advertise the vacant land? Please brief the Committee on the standard time for advertising vacant land and what qualifies as vacant land?
- 2.5 Please explain what other platforms have the Ministry used for advertising vacant land? The Committee noted that the Ministry is also working towards formalising an MOU with Investment Fiji to advertise all available land? Is the Ministry still pursuing this further? Please explain what are the current arrangements now in terms of your marketing strategies for vacant land.

- 2.6 Please provide a brief statistics on the survey carried out and approved plans that were obtained prior to the issuance of leases. Are all Land under the Land Use Division properly surveyed?
- 2.7 Can you explain the current procedures for the acquisition of Land and how many road constructions have been implemented to allow accessibility? What is the ratio of registered surveyors in the Lands Department? Are private or independent surveyors also engaged by the Ministry?
- 2.8 Why is it necessary **NOT** to engage proper engineering for the Land Use Division? Does the Ministry consult with relevant stakeholders such as Fiji Roads Authority?
- 2.9 The audit highlights that the Ministry should conduct valuations prior to the conduct of land survey for estimating the value of land. Has the SOP been revised to capture the performance of valuations prior to survey? If not, why?
- 2.10 What is the current requirements/information for applicants to provide before granting of lease? What are the criteria of selecting or granting leases? Have there been any penalties or legal implications in place or actions taken against applicants who have provided False Information in obtaining land?
- 2.11 Has an SOP been developed for engagement with other key stakeholders on background checks for foreign investors? What is the current arrangement that the Ministry is adopted as the Committee noted that the Land Use Division is currently reviewing its SOP?

3. Recording and Monitoring of Land Bank Activities

- 3.1 Has the Ministry finally developed its own land bank database? If not, please explain? Was it acquiring the database expensive?
- 3.2 Please advise how many complaints has been received by the Ministry and how has the Ministry addressed these? Is there a complaints management system in place such as the toll free line that the general public can use?
- 3.3 How has the Ministry improved its record keeping process? Does the Ministry have a data management system in place?
- 3.4 How does the Ministry monitor and evaluate its Land Bank Activities? Has the SOP been revised or amended to incorporate the monitoring process? What is the Ministry's monitoring process?
- 3.5 How does the Ministry reconcile the tallyman's records and whether this is also included in the SOP?
- 3.6 Please provide the break-down and the details of lands that are currently under Land Bank by Province?

PUBLIC ACCOUNTS COMMITTEE

Follow-Up Audit Report on the Management of the Land Reform Program

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1. Policies Governing the Administration of Land Reform

1.1 **Advise the Committee on the current status of the SOP for the Land Use Division?**

Amendments has been made to SOP to address improvement areas. Still in draft form to be finalized by end of this financial year. Some improvements done are as follows:-

- i) Inclusion of the Marketing processes that was not previously included in the 2015 MLMR SOP.
- ii) Re-designation
- iii) Deed of Trust
- iv) Financial Statements

1.2 **Advise on the status of the Performance Bond Policy?**

Draft Performance Bond Policy already developed to be circulated in the next Ministry's Policy Working Committee (in April)

1.3 **How does the Ministry ensure that the right land is properly mortgaged?**

Like i-Taukei Lands Trust Act and Crown Land Act, any land designated under the Land Use Act can be mortgaged, however, the Ministry's mortgage procedures are clearly outlined at page 6 of the Ministry's SOP.

1.4 **Advise on the status of the policy or procedures for administering state freehold land? The Committee noted that the revised response received by OAG - you have disagreed. Please explain the reason why, as the Ministry has advised that it plans to finalize this within the next 6 months.**

The sales and purchase agreement is already in place for the 26 freehold buy-back land which is legally binding and also dictate how the payment should be administered until full settlement.

1.5 **Please provide details of land administered under the Buy-Back Scheme? What is the current status of this Buy-Back arrangement?**

The buy-back arrangement was implemented to assist the landless natives in the need of cultivable land at cost price with no interest. Government expanded \$4,740,363.15 to purchase the 26 parcels of freehold land on behalf of the landowning unit. Currently, out of the 26 landowning units assisted, 3 have successfully paid off their dues amounting to \$858,770. Total buy-back payment received to date is \$1,746,343.85, outstanding balance is

\$2,994,019.30. Repayment period stipulated in all sale and purchase agreement is 30 years.

1.6 **How has the Ministry incorporated the Fair Share of Mineral Royalties Act 2018 into its processes and procedures?**

Enactment of fair share of mineral royalty Act passed in parliament in 18 May 2018 legitimizing the appointment of shares as 80% payable to the landowners whilst 20% is retained by government. Royalty payment for the Bauxite in Nawailevu and Dreketi was distributed in November 2018 based on this new distribution.

2. **Systems and Processes for Land Designation and Allocation**

2.1 **Has the LUD developed and implemented an evaluation system to review the effectiveness of information disseminated through its awareness and consultation sessions? If not, why not?**

Yes, the system is captured in the Divisions Annual Costed Operational Plan where Public Relations Unit has to ensure 20 consultations and should secure 10 designations (annual target) of land parcels in the land bank and availed for leasing. In this financial year (2018/19) a total of 18 consultations and 5 land parcels designated.

2.2 **Does the Ministry have an effective approach in planning and creating awareness activities for the dissemination of information?**

Yes, Consultations are integrated into the iTaukei Affairs and Rural Development road shows and Provincial Council/Tikina/Village meetings, Prime Ministers local and overseas Trade-shows, Diplomatic Missions; Investment Fiji, Ministry of Tourism through distribution of Dossiers, pamphlets, marketing available land for leasing through newspapers and the Ministry's website.

2.3 **What is the status of the Ministry conducting a capability study prior to designating land? The Committee noted that LUD plans to amend the SOP to incorporate the new practice of prioritising viability tests than capability/feasibility studies. Has this eventuated? If not, please explain and what are the criteria?**

Yes, viability test has been incorporated and now forms part of the Divisions targeted output in the annual Coated Operational Plan where 1000 ha of viable land to be identified before the Public Relations Team is deployed to conduct consultation. Currently, 1200 ha of viable land has been identified with comprises of 22 parcels of land with 22 landowning unit.

2.4 **Has the Land Use Division amended the existing SOP capturing the appropriate time to advertise the vacant land? Please brief the Committee on the standard time for advertising vacant land and what qualifies as vacant land?**

Yes, designated vacant land can only be advertised for leasing once it is surveyed and with an approved survey land. That is the requirement under the Land Use Act. Process for

advertisement is already captured in the existing SOP-3.0 –page 6. Land is advertised for 30 days. Once all requirements are met – processing timeline is 4 months.

- 2.5 Please explain what other platforms have the Ministry used for advertising vacant land? The Committee noted that the Ministry is also working towards formalising an MOU with Investment Fiji to advertise all available land?

Yes, already formalized on the 4th of November 2015 and captured at page 34-39 of SOP.

Is the Ministry still pursuing this further? Please explain what are the current arrangements now in terms of your marketing strategies for vacant land.

Refer to 2.4 above.

- 2.6 Please provide a brief statistics on the survey carried out and approved plans that were obtained prior to the issuance of leases. Are all Land under the Land Use Division properly surveyed?

Since inception in 2011, 113 land parcels have been designate; 93 has been surveyed, 64 approved survey.

- 2.7 Can you explain the current procedures for the acquisition of Land and how many road constructions have been implemented to allow accessibility?

Acquisition of land is only applicable where access is required for public purpose. There are two access road constructed by the division but now process is to go through FRA for any road construction.

What is the ratio of registered surveyors in the Lands Department? Are private or independent surveyors also engaged by the Ministry?

Yes, Private Surveyors are contracted for subdivision development construction and other ad-hoc surveys.

- 2.8 Why is it necessary **NOT** to engage proper engineering for the Land Use Division? Does the Ministry consult with relevant stakeholders such as Fiji Roads Authority?

Yes, Engineers are only engaged for the construction of subdivisions funded by the Land Use Division – engineering consultants are contracted to oversee construction of subdivision until its completed. [(Legalega – 77 Lots) – Wood and Jepsen. Yako (25 lots) – WestEng Engineering]

- 2.9 The audit highlights that the Ministry should conduct valuations prior to the conduct of land survey for estimating the value of land. Has the SOP been revised to capture the performance of valuations prior to survey? If not, why?

Yes, valuation and analysis of rates prevailing in any particular area is conducted where designated parcels are located, this is also chartered in the Land Bank Master Plan and updated after sales analysis are executed.

2.10 What is the current requirements/information for applicants to provide before granting of lease?

Different lease classification will require different information but the common requirements are:-Financial Statements, due diligence with Reserve Bank for big scale developments/investments for foreign investors; TIN Numbers; Concept Plans, capability report from Agriculture if it's an agricultural block applied for; Investment Fiji Certificate; Registered company certificate.

What are the criteria of selecting or granting leases?

- a) Ability to pay their premium/survey fees and ground rental prior to issuance of lease document; and
- b) Ability to utilize the land.

Have there been any penalties or legal implications in place or actions taken against applicants who have provided False Information in obtaining land?

We have never come across such case scenario but penalties do exist if lease conductions are beached, as stipulated in the lease conditions.

2.11 Has an SOP been developed for engagement with other key stakeholders on background checks for foreign investors? What is the current arrangement that the Ministry is adopted as the Committee noted that the Land Use Division is currently reviewing its SOP?

There's none but part of the plan to be included in the revised SOP. There's an existing MOU with Investment Fiji and iTLTB whilst due diligence with Reserve Bank is carried out on an ad-hoc basis.

3. Recording and Monitoring of Land Bank Activities

3.1 Has the Ministry finally developed its own land bank database? If not, please explain? Was it acquiring the database expensive?

Currently working on the seven unit's database development which is executed internally by our Principal Land Use Officer/Senior Marketing Officer and Director Geospatial.

3.2 Please advise how many complaints has been received by the Ministry and how has the Ministry addressed these? Is there a complaints management system in place such as the toll free line that the general public can use?

- a) In the last 3 years there has been 100% consecutive resolved cases, however 72% resolved in 2018.

Year:	Received:	Resolved:	Pending:
2016	77	77	0
2017	54	54	0
2018	96	69	27

- b) The Ministry has appointed a Customer Advocacy Officer (CAO) to oversee the complaints received by the Ministry.

Other measures undertaken to ensure that complaints are addressed accordingly:

- Follow-up through email for evidence purposes and also by telephone for urgent responses
- Quarterly Divisional Office Visits;
- Field Visits for investigation purpose; as and when required by Executive Management.

c) Yes, the Ministry has recently developed an Online Complaints Database, in June 2018. This ensures efficient record keeping of all complaints received by the Ministry, and is accessible by our other offices in the Central, Western and Northern Division. Additionally, the CAO is designated an official phone that is accessible to the public 24/7.

3.3 How has the Ministry improved its record keeping process? Does the Ministry have a data management system in place?

Yes, the in-house database that is currently being developed to systematically capture the Land Bank Statistics and will strengthen the linkage with other MLMLR platforms such as: Land Bank App; Lease administration system in place – Oracle, Flip, Vanua GIS, FMIS, Complaints database; Human Resource Information System.

3.4 How does the Ministry monitor and evaluate its Land Bank Activities? Has the SOP been revised or amended to incorporate the monitoring process? What is the Ministry's monitoring process?

Weekly reports are submitted to the Senior Management highlighting work executed by the Division; weekly achievements; and future week work plan. A special officer is appointed [Executive Officer Monitoring] to monitor all leasing within the Division whilst there is a Monitoring Unit of the Ministry that monitors Divisions outputs as captured in the Business Plans and conducts evidence-based verification on a Quarterly basis. This is to be captured in the SOP review in terms of all internal and external reporting mechanisms.

3.5 How does the Ministry reconcile the tallyman's records and whether this is also included in the SOP?

For the quarried rocks, irrespective of source – river or hard rock; rock materials that are processed (crushed/washed) through quarrying process, all quarries (Quarry operator/manager) are obliged by law (Quarries Act) to submit tally of such materials processed by their respective operations on monthly basis. This is verified by the mines/quarries' inspectors from MRD during inspection visits against production records by the company.

For river gravel extraction it's under DL, but my understanding is that companies who are granted licenses have a pre-determined estimated volume of gravel in their license area. As condition of the license all companies with river gravel licenses need to record loss of gravel extracted and also have tallyman from the qoliqoli owner's or land owners to record

loads of gravel and sand extracted from the river to the quarries for processing or for direct use. This is then verified during inspections and also against the volume estimated prior to the issuance of license.

For sand dredging, it is the truck load of sands sold out of the dredged stock pile in which is recorded and tallied.

- 3.6 Please provide the break-down and the details of lands that are currently under Land Bank by Province?

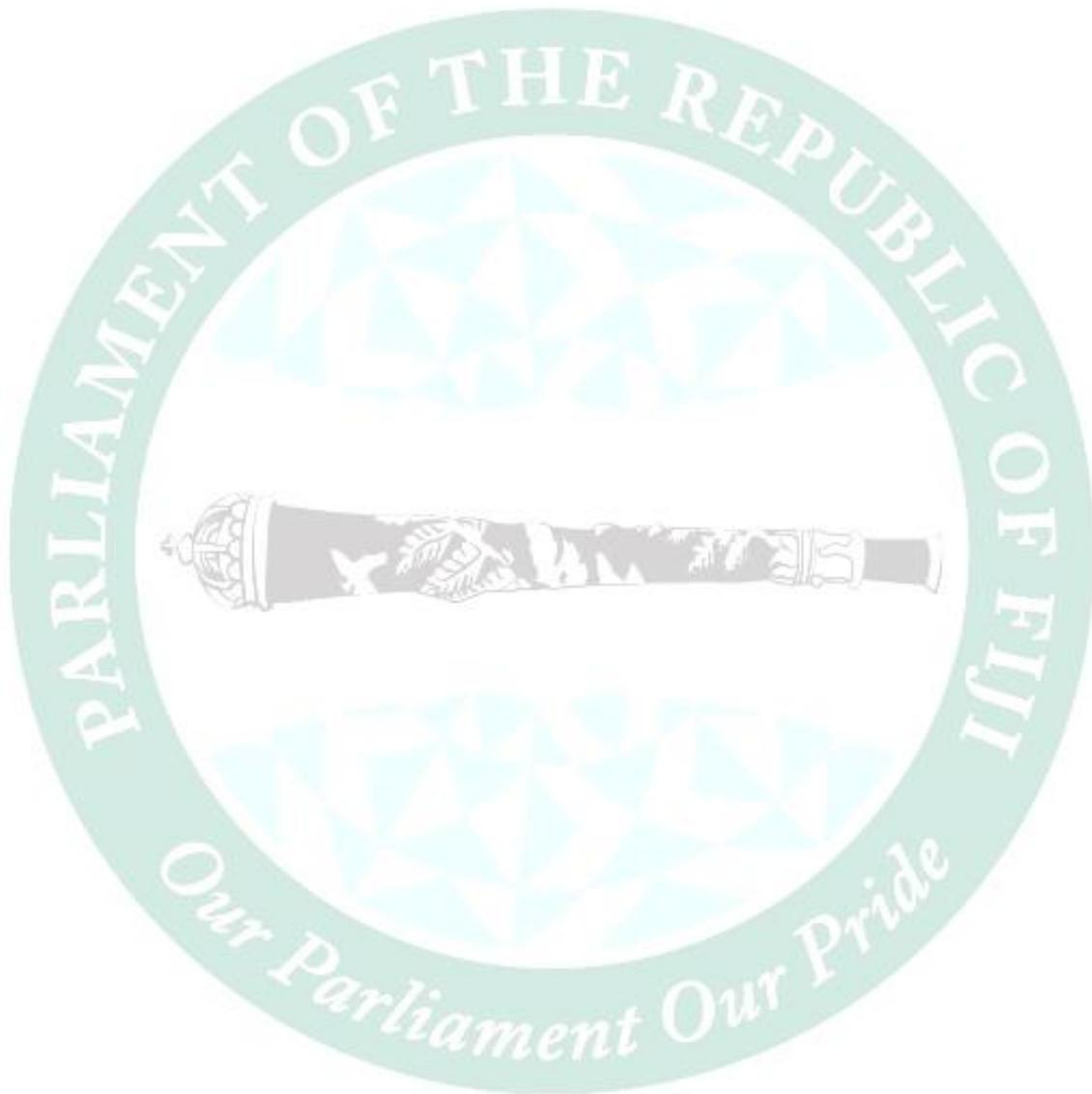
DESIGNATED ITAUKEI LAND

No.	PROVINCE	TOTAL NO OF LAND BY PROVINCE	TOTAL LAND MASS BY PROVINCE [HA]
1	BUA	6	226.7048
2	NADROGA	5	142.0543
3	NAGROGA/NAVOSA	10	993.3282
4	RA	10	597.2984
5	REWA	4	1618.6011
6	BA	12	3324.9805
7	BA (YASAWA)	3	93.0028
8	TAILEVU	9	1005.1832
9	LOMAIVITI	4	71.7469
10	KADAVU	9	338.7331
11	NAITASIRI	13	369.581627
12	NAMOSI	2	41.74625
13	CAKAUDROVE	6	107.3256
14	MACUATA	4	706.8902
15	SERUA	0	0
TOTAL		97	9367.1772

DESIGNATED STATE LAND

No.	PROVINCE	TOTAL NO OF LAND BY PROVINCE	TOTAL LAND MASS BY PROVINCE [HA]
1	BUA	1	1.702
2	NADROGA	0	0
3	NAGROGA/NAVOSA	0	0
4	RA	0	0
5	REWA	0	0
6	BA	0	0
7	BA (YASAWA)	0	0
8	TAILEVU	0	0
9	LOMAIVITI	0	0
10	KADAVU	0	0
11	NAITASIRI	0	0

12	NAMOSI	0	0
13	CAKAUDROVE	0	0
14	MACUATA	2	233.4133
15	SERUA	0	0





Ministry of Lands & Mineral Resources

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PUBLIC ACCOUNTS COMMITTEE

SUPPLEMENTARY RESPONSE

Question:

The Committee had requested for additional information regarding total parcels of land that had gone past the five-year period and will be returned to the respective landowning units.

Response:

There are (3) land parcels that surpassed the 5 years timeline and not subject to any leasing arrangement, that'll be returned to the LOUs.

- 1.) Mataqali Navugayago, Mau, Namosi
- 2.) Mataqali Nakorosago, Verevere, Ra
- 3.) Mataqali Yalamarawa, Ba

All 3 LOUs have formalized their request for the return and we are undertaking cessation process, pending consent to cease from the LOUs before the same can be completed.

Question:

Also, The Committee was informed that there is a total of 26 parcels of freehold land under the Buy-Back arrangement. Currently, out of the 26 landowning units assisted, 3 had successfully paid off their dues. In summary there is a total of 26 landowning units, 3 has been paid and 23 are still in the process of repayment.

In view of the above, the Committee would be grateful if you could please furnish us with the details of the 23 landowning units administered under the Buy-Back Arrangement that are still in the process of repayment

Response:

See attached PDF document titled – 23 landowning units administered under the Buy-Back Arrangement that are still in the process of repayment

Subject	PAC Request: Supplementary Response - Follow-Up Audit Report on Management of the Land Reform Program (PP 134 of 2018)
From	Mateo W Lagimiri
To	Malakai Finau
Cc	Timoci Samison, Leba Vuataki, Savenaca Koro, Atelini Boletakanakadavu
Sent	Friday, March 29, 2019 8:13 AM

BUY BACK SUMMARY:-

Fully Paid (3)

	Land Name Area (Ha)	Land Owning Unit	Province
(1.)	Tuvumaca 633 Ha	Yavusa Nasuva, Taveuni	Cakaudrove
(2.)	Wairuku Estate 140 Ha	Yavusa Waivunia, Savusavu, Cakaudrove	Cakaudrove
(3.)	Waidau 191 Ha	Yavusa Waidau, Ovalau, Lomaiviti	Lomaiviti

Buyback lands under repayment (23)

	Land Name Area (Ha)	Land Owning Unit	Province
(1.)	Munia Island 449 Ha	Yavusa Munia, Vanua balavu, Tikina Mualevu, Lau	Lau
(2.)	Matakunea 22.7 Ha	Mataqali Nasavanivonu, Cakaudrove	Cakaudrove
(3.)	Korodogo 202 Ha	Yavusa Naduru, Macuata	Macuata
(4.)	Mua Estate 479 Ha	Yavusa Wainikeli, Cakaudrove	Cakaudrove
(5.)	Namaqumaqua 13.99 Ha	Mataqali Bitolevu, Serua	Serua
(6.)	Kovunikavika 44 Ha	Mataqali Buremaci, Tonia, Tailevu	Tailevu
(7.)	Vakabalea 38.49 Ha	Yavusa Dravuni, Deuba, Serua.	Serua

(8.)	Nasoqo 60.705 Ha	Yavusa Burewatu	Naitasiri
(9.)	Naisadoga & Nukuloa 30 Ha	Yavusa Soloveuneune, Savusavu, Cakaudrove	Cakaudrove
(10.)	Kobuka 59 ha	Mataqali Lutu, Naitasiri	Naitasiri
(11.)	Tova 62.37 Ha	Mataqali Narau, Ra	Ra
(12.)	Matavatuou 48.86 Ha	Mataqali Wailevu, Tailevu	Tailevu
(13.)	Dedega 11.55 Ha	Mataqali Naomisi, Dawasamu, Tailevu	Tailevu
(14.)	Vunivesi 19 Ha	Yavusa Dawasamu, Dawasamu, Tailevu	Tailevu
(15.)	Matasawalevu 14 Ha	Mataqali Nakorokalou, Dreketi, Macuata	Macuata
(16.)	Naveria 8 Ha	Yavusa Nakama, Savusavu, Cakaudrove	Cakaudrove
(17.)	Marakalulu 72 Ha	Mataqali Naboca, Yavusa Verata, Tailevu	Naitasiri
(18.)	Waiduru & Nabu 30 Ha	Yavusa Vugalei, Kasavu, Naitasiri	Naitasiri
(19.)	Matacadra 80.94 Ha	Mataqali Uluivanuavula, Naitasiri	Naitasiri
(20.)	Raiwaqa	Mataqali Nabukebuke, Serua	Serua
(21.)	Muananuku	Mataqali Mosi, Tailevu	Tailevu
(22.)	Naboro 90 Ha	Navakacoko Settlement, Rewa	Rewa
(23.)	Nausori 8 Ha	Mataqali Nailagobokola, Nausori.	Tailevu

STANDING COMMITTEE ON
PUBLIC ACCOUNTS

[Verbatim Report of Meeting]

HELD IN THE

COMMITTEE ROOM (EAST WING)

ON

MONDAY, 25TH MARCH, 2019

VERBATIM NOTES OF THE MEETING OF THE STANDING COMMITTEE ON PUBLIC ACCOUNTS HELD IN THE COMMITTEE ROOM (EAST WING), PARLIAMENT PRECINCTS, GOVERNMENT BUILDINGS, ON 25TH MARCH, 2019 AT 1.04 P.M.

Interviewee/Submittee: Ministry of Lands and Mineral Resources (MLMR)

In Attendance

1. Mr. Malakai Finau - Permanent Secretary
2. Mr. Timoci Samisoni - Manager Finance
3. Ms. Leba Vuataki - Senior Geospatial Officer
4. Ms. Atelini Bole - Senior Geospatial Officer
5. Mr. Bale Kuruwale - Executive Officer

Office of the Attorney-General

1. Ms. Unaisi Namositava - Audit Manager
2. Ms. Maritina Cirikisuva - Auditor

DEPUTY CHAIRPERSON.- Good afternoon, everyone. I humbly welcome officers from the Ministry of Lands and Mineral Resources; Office of the Auditor-General, members of the media and members of the public.

(Introduction of Committee Members by the Deputy Chairperson)

Welcome to our Public Accounts Committee Meeting and may I request submitters to, please, introduce yourselves.

MR. M. FINAU.- Thank you, Deputy Chairperson. My name is Malakai Finau, the Permanent Secretary for Ministry of Lands and Mineral Resources.

MR. T. SAIMONI.- *Bula vinaka*, Sir. My name is Timoci Samisoni, I am the Manager, Finance for the Ministry of Lands and Mineral Resources. We have three other staff accompanying the Permanent Secretary and myself to assist in answering questions.

DEPUTY CHAIRPERSON.- Thank you very much. Welcome, once again. As you go along with your presentation, my Honourable Members can interject and ask questions and I may also give them time for supplementary questions, so you may proceed now.

MR. M. FINAU.- Thank you, Deputy Chairperson. Honourable Members, I will be presenting from a hard copy in front of me in response to questions that we have been asked to clarify and provide responses.

Question No. 1: Policies Governing the Administration of Land Reform;

1.1 Advise the Committee on the current status of the Standard Operations Procedure (SOP) for the Land Use Division.

The status is that we have made some amendments to the SOPs to address some improvement areas that were not addressed initially as mentioned in the Audit Report which we were submitted.

The amendments are still in their draft form and we are targeting the end of the financial year in which to finalise the amendments. Some improvements done that were not previously included in the 2015 Ministry of Lands and Mineral Resources' SOPs include:

- (i) Inclusion of marketing processes;
- (ii) Re-designation of land;
- (iii) the Deed of Trust; and
- (iv) Financial Statements.

These are the new areas which were not included in the initial Standard Operating Procedures.

HON. A.M. RADRODRO.- Deputy Chairperson, can I just ask a question?

DEPUTY CHAIRPERSON.- Yes, Honourable Member.

HON. A.M. RADRODRO.- Just a question regarding Question No. 1 on the SOPs for the Ministry of Lands.

DEPUTY CHAIRPERSON.- Yes, Honourable Aseri Radrodoro, you may proceed.

HON. A.M. RADRODRO.- Thank you very much, Permanent Secretary. The basis of the question was in your responses that you have provided earlier as per the highlighted Auditor-General's Report. The SOPs are said to have been implemented, draft and finalised. Now you are coming back and saying that it is still work-in progress, to be finalised at the end of this financial year. Can you just clarify what is the status of this?

MR. M. FINAU.- Thank you, Honourable Aseri Radrodoro. Correct, we have a finalised SOP.

DEPUTY CHAIRPERSON.- Do you have a copy?

MR. M. FINAU.- It is the amendments on the SOPs governing the processes for the Ministry of Lands and Mineral Resources, and included is a section on the Land Use Division.

HON. A.M. RADRODRO.- Just a clarification, that was what the Auditor-General has highlighted in the last report, that the Ministry of Land was using the SOP for the Ministry of Lands and Mineral Resources, and not the separate SOP for the Land Use Division, that is basically the line of question that you are trying to figure out, whether a separate SOP for the Land Use Division has been finalised.

MR. M. FINAU.- There is a section on the Land Use Division in the current SOP and that is the one where we need some improvements, because the Land Use Division is a new development as you may be aware and once we begin its operations, we found that there were areas that were lacking, so those are the areas that we have included which I have mentioned. If we note the Audit Report that we were given, it mentioned that we have the SOP, including the nine areas that were mentioned from awareness, designation of land, up to advertising of vacant designated land.

So, in our review, we noted that the land that is to be designated does not have anything on marketing. On re-designation, sometimes land has to be designated twice because sometimes it is surveyed and sometimes there are more areas added to the land that has to be designated so that is why we have the re-designation. Those are some of the things, as I have mentioned, that did not include the Deed of Trust of the landowners as I also mentioned.

DEPUTY CHAIRPERSON.- Any supplementary questions to that, Honourable Members?

HON. A.M. RADRODRO.- Just a clarification to the Permanent Secretary, the Auditor General's Report, as stated on the Standard Of Operations (SOPs) that need to be developed by the Ministry of Lands to cover procedures regarding Landowners Consensual Agreement (this is what has been highlighted): Land Use Capability Reports; designation by the Honourable Prime Minister, the Survey of *iTaukei* and State Lands; the Market Value Valuation on *iTaukei* and State Land; Surveying of *iTaukei* Land; are all those covered in your SOPs that you are now working on? Probably, Office of the Auditor-General, can you enlighten the Committee?

MR. M. FINAU.- Thank you, Honourable Aseri Radrodoro, they are covered but there are also questions further down in our response that we will then elaborate more on your questions.

DEPUTY CHAIRPERSON.- Thank you very much, you may proceed further.

Question No. 1.2: Advise on the status of the Performance Bond Policy?

MR. M. FINAU.- Thank you. Initially, there was no Performance Bond Policy, so there is one being developed and it is going to be processed within the Ministry with our Policy Working Committee for finalisation.

Question No. 1.3: How does the Ministry ensure that the right land is properly mortgaged?

Like *iTaukei* lands, Trust Act and Crown Lands Act, any land designated under the Land Use Act can be mortgaged, however the Ministry's mortgage procedures are clearly outlined at Page 6 of the Ministry's SOPs.

Question No. 1.4: Advise on the status of the policy or procedures for administering State freehold land? The Committee noted the revised response received by OAG which you have disagreed. Please, explain the reason why, as the Ministry has advised that it plans to finalise this within the next six months.

There is a Sale and Purchase Agreement already in place for the 26 freehold buy-back land which is legally binding, and also dictate how the payments should be administered until full payment. This question (Question No. 1.4) is on the State Freehold Land).

Question No. 1.5: Please, provide details of land administered under the Buy-Back Arrangement. What is the current status of this By-Back arrangement?

The buy-back arrangement was implemented to assist the landless natives. There is a total of 26 parcels of freehold land under the Buy-Back arrangement. Currently, out of the 26 landowning units assisted, 3 had successfully paid off their dues amounting to some \$858,770. The total buy-back payment received to-date is \$1,746,343.85 million and the outstanding balance is \$2,994,019.30. The repayment period stipulated in all the Sale and Purchase Agreement is 30 years.

So, in summary there is a total of 26:3 has paid; and 23 are still in the process of repayment.

HON. A.M. RADRODRO.- Deputy Chairperson, just a supplementary question to the answers that have been given. Those 3 that have successfully paid off their dues, can you enlighten us on what is the process in place in the Ministry?

MR. M. FINAU.- Sir, can you repeat the question, please?

HON. A.M. RADRODRO.- For those three that have successfully paid off their dues, can they now have access to the land that they have paid off? What is the process after paying off their dues?

MR. M. FINAU.- The process is to return the land to the landowners once they are paid off. I think the first of the three that have been paid off is Waivunia in Cakaudrove; Nalagi Village, Yavusa Tuvumaca also in Cakaudrove; and Waidau in Ovalau, I think those are the three that have been paid. Waivunia and Tuvumaca have been given to them; and we are in the process of giving the title documents to the Yavusa Waidau, in Bureta Village in Ovalau.

MR. CHAIRMAN.- Thank you very much. You may proceed further.

Question No. 1.6: How has the Ministry incorporated the Fair Share of Mineral Royalties Act 2018 into its processes and procedures?

MR. M. FINAU.- The Ministry has started the fair share and it has now developed a policy for the fair share of mineral royalties. It was not included in the 2015 SOPs because it was a recently passed law, so we have been developing a draft so that we can incorporate it into the Ministry's SOPs, but the work on the ground we have commenced the fair share of mineral royalties for all the landowners in which mining is currently in progress in, namely, Nawailevu, Bua; Dreketi, Macuata; Vatukoula, for the landowners in Vatukoula; those were the three main mining areas whose landowners we had commenced giving out their fair share for the mineral royalties.

MR. CHAIRMAN.- You may proceed further.

Question No. 2.1 Systems and Processes for Land Designation and Allocation: Has the Land Use Division developed and implemented an evaluation system to review the effectiveness of information disseminated through its awareness and consultations? If not, why not?

MR. M. FINAU.- Yes, we have developed an evaluation system which is captured in the Land Use Divisions Annual Costed Operational Plan where the Public Relations Unit has to ensure the target of 20 consultations and should secure 10 designations of land parcels in the land bank and to be made available for leasing.

In the 2018 and 2019 Financial Year, a total of 18 consultations have been conducted and 5 land parcels have been designated.

MR. CHAIRMAN.- Any questions, Honourable Members?

You may proceed further.

Question No. 2.2: Does the Ministry have an effective approach in planning and creating awareness activities for the dissemination of information?

MR. M. FINAU.- Yes, we have consultations, it is integrated into the roadshows that are conducted by other ministries where we have a whole of Government approach, for example, the

iTaukei Affairs and the Rural Development have their roadshows, so we are riding on the back of this. This happens in Provincial Councils which we also attend, and *Tikina* village meetings.

We are also member of Ministers and Prime Ministers local and overseas trade shows. We advertise, create or develop awareness in Diplomatic Missions, Investment Fiji, the Ministry of Tourism through the distribution of those dossiers, pamphlets to market the available land for leasing through newspapers and the Ministry's website. So those forums we have used in creating awareness activities for the dissemination of information.

MR. CHAIRMAN.- Thank you. Any questions, Honourable Members? If there is none, you can proceed further.

Question No. 2.3: What is the status of the Ministry conducting a capability study prior to designating land? The Committee noted that the Land Use Division plans to amend the SOP to incorporate the new practice of prioritising viability tests than capability/feasibility studies. Has this eventuated? If not, please explain and what are the criteria?

MR. M. FINAU.- Yes, viability test has been incorporated and now forms part of the Division's targeted output in the Annual Costed Operational Plan, where we have a target of 1,000 hectares of viable land to be identified, before our Public Relations Team is deployed to conduct the consultation with relevant stakeholders, including landowners.

Currently 1,200 hectares of viable land has been identified, which comprises 22 parcels of land with 22 landowning units.

DEPUTY CHAIRPERSON.- Any questions Honourable Members?

HON. A.M. RADRODRO.- Can we request PS to comment on Table 4 regarding the respective Landowning Units as has been highlighted by the Auditor-General, and the comments regarding the lack of awareness that has been undertaken by the Ministry for the respective Landowning Units?

Can we get an update from the Ministry on the current status right now, and how has the Ministry addressed the issues that had been raised during the audit?

MR. M. FINAU.- Honourable Chairman, can you just give us a few minutes to....

DEPUTY CHAIRPERSON.- Yes, no problem, you may have the time. If you want you can always come back later on to respond to that question, should you think it might take some time.

MR. M. FINAU.- We will proceed, thank you. For number one - *Mataqali Batileka*, I think the *Mataqali* requested for their land to be returned and we are processing the return of the land, at the moment.

HON. A.M. RADRODRO.- What is the timeline before a *Mataqali* can request for land to be returned?

MR. M. FINAU.- Within the period of five years where we have not been able to lease the land, so the land may be returned to the landowners upon their request.

HON. A.M. RADRODRO.- For those who have deposited their land, are they aware of this timeline?

MR. M. FINAU.- I think they are, because consultations and awareness was done with the landowners during the process of getting their land to be designated into the Land Bank.

DEPUTY CHAIRPERSON.- Any other supplementary questions, Honourable Members?

HON. A.M. RADRODRO.- (Inaudible)

MR. M. FINAU.- For the *Mataqali Luvuka*, the consultations are continuing and we had the consultations with this *Mataqali*. So there is an interested investor who may take up the offer of lease for this land.

For the *Mataqali Nakorosaga*, the landowners as mentioned, there have also requested for cessation after the five years had lapsed, without any investor willing to take up the land.

For the *Mataqali Nakausoqo*, in Toga, Rewa, consultations have occurred and leases have been issued, the two active leases.

DEPUTY CHAIRPERSON.- Thank you. Any other supplementary questions, Honourable Members?

HON. A.M. RADRODRO.- In the Auditor-General's Report, you have highlighted that the Land Use Division is to develop and implement evaluation systems to review the effectiveness of information through its awareness and consultation. This can be in the form of evaluation form for real time information which should be conducted at the end of every session. Can we get feedback on this next step of action as highlighted by the OAG or maybe OAG can enlighten us before we get a comment from the Ministry of Lands on this next step of action?

OAG REP.- Thank you, Deputy Chairperson and Honourable Member, I think the audit pointed out the need for the development and implementation of an evaluation system to review the effectiveness of information disseminated through its awareness and consultation sessions, and this could be in the form of evaluation forms or real time evaluation which could be conducted at the end of every session.

MR. M. FINAU.- Thank you, Deputy Chairperson and Honourable Radrodro. We have also commenced the giving, development and also the filling of evaluation forms at the end of every consultation.

HON. A.M. RADRODRO.- Deputy Chairperson, just a supplementary question.

DEPUTY CHAIRPERSON.- Yes, you may do so.

HON. A.M. RADRODRO.- Regarding the advantages of depositing land into the Land Bank, one of them is the conduct of survey costs that is borne by the Ministry. So, are all the land that are deposited into the Land Bank, have they all been surveyed by the Ministry?

MR. M. FINAU.- Correct, if they are ready for leasing.

HON. A.M. RADRODRO.- Only if they are ready for leasing.

MR. M. FINAU.- Yes.

HON. A.M. RADRODRO.- So, for those ones that have been highlighted in the table?

MR. M. FINAU.- I am sorry, Table 5?

HON. A.M. RADRODRO.- Table 4. Those ones that are still in progress for designation.

MR. M. FINAU.- Those have all been surveyed as well.

HON. A.M. RADRODRO.- Would you inform the Committee or may be come back later about the total parcels of land that had gone past the five-year period and will be returned to the respective landowning units?

MR. M. FINAU.- Yes, Sir. We should be able to provide that, thank you.

Question No. 2.4: Has the Land Use Division amended the existing SOP capturing the appropriate time to advertise the vacant land? Please, brief the Committee on the standard time for advertising vacant land and what qualifies as vacant land?

DEPUTY CHAIRPERSON.- Thank you very much and you may proceed further.

MR. M. FINAU.- Our response is, yes, designated vacant land can only be advertised for leasing, once its surveyed with an approved survey plan. That is the requirement under the Land Use Act. Process for advertisement is already captured in our existing SOP on Page 6. Land is advertised for 30 days, so once all requirements are met the processing timeline is about four months.

DEPUTY CHAIRPERSON.- Any questions, Honourable Members?

HON. A.M. RADRODRO.- This timeline and these processes, can you confirm to the Committee?
Are the landowning units fully aware of this?

MR. M. FINAU.- Yes, they are.

DEPUTY CHAIRPERSON.- Thank you. Any supplementary question, Honourable Members. There are none, so you may proceed further.

Question No. 2.5: Please explain what other platforms have the Ministry used for advertising for vacant land? The Committee noted that the Ministry is also working towards formalising an MOU with Investment Fiji to advertise all available land.

MR. M. FINAU.- I think part of the question is asked in 2.4 and also 2.3 in which I have explained; all the platforms that we have used, including the roadshows, the Minister's tour and the Prime Minister's tour.

In our response to Question 2.2, it has the whole platform that we have used, including our Ministry's website.

Question No. 2.6: Please, provide a brief statistics on the survey carried out and approved plans that were obtained prior to the issuance of leases. Are all land under the Land Use Division properly surveyed?

MR. M. FINAU.- Since the inception of the Land Use Division, in 2011, we have a total of 113 land parcels that have been designated. Also, 93 have been surveyed with 64 approved survey plans.

DEPUTY CHAIRPERSON.- Thank you. Honourable Members, any other questions? There is none, so you may proceed further.

Question No. 2.7: can you explain the current procedures for the acquisition of land and how many road constructions have been implemented to allow accessibility?

MR. M. FINAU.- Thank you, Sir. In the record of land given to the Land Bank or Land Use Division, I think there is only one subdivision in which required the construction of an access road and that is the one not far from Suva, at Natodre in Veisari.

Acquisition of land is only applicable where access is required for public purpose. There were two access roads that were constructed (as I mentioned) but the process now is to go through the Fiji Roads Authority (FRA) for any road construction.

The next part of the question is talking about the ratio of registered surveyors in the Lands Department and if private or independent surveyors are also engaged by the Ministry. Private surveyors are contracted for subdivision, development construction and other surveys.

DEPUTY CHAIRPERSON.- Any questions, Honourable Members?

Since there is none, you may proceed further.

Question No. 2.8: Why is it necessary not to engage proper engineering for the Land Use Division? Does the Ministry consult with relevant stakeholders, such as FRA?

MR. M. FINAU.- The Ministry consults private engineers who are engaged for the construction of subdivisions funded by the Land Use Division. Engineering consultants are contracted to oversee the construction of subdivisions until its completion.

Private engineers that we have consulted so far or we have utilised in our subdivisions, include Wood & Jepsen based in Suva and WestEng Engineering based in Lautoka.

DEPUTY CHAIRPERSON.- Any questions, Honourable Members?

HON. A.M. RADRODRO.- These Legalega and Yako, are these Legalega subdivision in Nadi?

MR. M. FINAU.- Correct.

HON. A.M. RADRODRO.- And Yako?

MR. M. FINAU.- Also in Nadi.

In the Legalega Subdivision, there are 777 lots. The Subdivision is currently in progress. For Yako Subdivision, it is near Yako Village but it is further, not inland but towards the coast.

DEPUTY CHAIRPERSON.- Thank you, you may proceed further.

Question No. 2.9: The Audit highlights that the Ministry should conduct valuations prior to the conduct of land survey for estimating the value of land. Has the SOP been revised to capture the performance of valuations prior to survey? If not, why not?

MR. M. FINAU.- The next question relates to the conduct of valuations. I think this has also been raised by Honourable Radrodro on estimating the value of land.

Valuation and analysis of rates prevailing in any particular area is conducted where designated parcels are located. This is also chartered in the Land Bank Master Plan and updated after sales analysis are executed.

DEPUTY CHAIRPERSON.- Any questions, Honourable Members?

HON. A.M. RADRODRO.- Are the valuations conducted on a periodic basis after this process or just one valuation and that is it?

MR. M. FINAU.- Valuation has a time factor as you may be aware and valuers are part of the core profession and the valuer is one off done for any land that is about to be given for leasing.

HON. A.M. RADRODRO.- Does it have an impact on the way the rates has been determined as we go into a period of development?

MR. M. FINAU.- Yes, it does.

Because even for some lease conditions, you have clauses there which mentions about the rentals and how it will be reviewed, that is where valuation comes in. Some have 5-year and some have a 10-year period.

HON. A.M. RADRODRO.- They have different clause for different valuations?

MR. M. FINAU.- Yes.

DEPUTY CHAIRPERSON.- Any other supplementary questions, Honourable Members? None, you shall proceed further.

Question No. 2.10: What is the current requirements/information for applicants to provide before granting of lease?

MR. M. FINAU.- Thank you, Sir. Different lease classification will require different information but the common requirements are Financial Statements, Due Diligence from the RBF for large scale development/ investments for foreign investors, TIN Numbers, Concept Plans, Capability Reports from Agriculture (if it is an agricultural block), Investment Fiji Certificate and Registered Company Certificate.

The sub question is about the criteria of selecting or granting leases. Our response is the ability to pay the premium, survey fees, ground rental prior to issuance of lease document. This

relates to the Financial Capability of the intending investor or lessee and also the ability to utilise the land.

Question No. 2.11: Have there been any penalties or legal implications in place or actions taken against applicants who have provided false information in obtaining land?

We have never come across such a scenario but penalties do exist. If lease conditions are breached as stipulated in lease conditions and we believe this can also be addressed through the general law of the land against the provision of false information.

Has the SOP been developed or engagement of other key stakeholders on background checks for foreign investors, what is the current arrangement the Ministry has adopted as the Committee noted that the land use division is currently reviewing its SOP?

There is none at the moment but part of the plan to be included in the revised SOP. We have some existing arrangements with other stakeholders, example, an existing Memorandum Of Understanding (MOU) with Investment Fiji and iTLTB whilst Due Diligence with RBF is carried out as and when required.

DEPUTY CHAIRPERSON.- Thank you. Any questions, Honourable Members? You may proceed.

3. Recording and Monitoring of Land Bank Activities

Question No. 3.1: Has the Ministry finally developed its own Land Bank database? If not, please explain? Was it acquiring the database expensive?

MR. M. FINAU.- We are currently working on seven units database development which is executed internally by our staff and also as you know, we have the Geospatial Information Management System in-house within the Ministry and they are assisting us towards the development of this database.

Question No. 3.2: Please, advise how many complaints have been received by the Ministry and how has the Ministry addressed these? Is there a complaints management system in place, such as the toll free line that the general public can use?

If I may take us back three years, there has been quite any complaints that we have received regarding the operations of the Ministry in regards to processing of lease, renewal of leases and the services that we have provided. In the last three years, there has been 100 percent consecutive resolved cases. At the moment we have 72 percent cases resolved in 2018/2019 Financial year.

The Ministry has a dedicated complaints officer, titled the “Customer Advocacy Officer” who deals specifically with complaints received by the Ministry. The other measures are undertaken to ensure that complaints are addressed including our follow-up through emails for evidence purpose and also by telephone for urgent responses.

We also have quarterly Divisional Office visits to our divisional offices, some of whom are dedicated to following up on the complaints that we have received. We also have field visits for investigation purposes as and when required by the Executive Management or as required through the nature of the complaints that we have received.

The Ministry has recently developed an online complaints database in June, 2018. This ensures efficient record keeping of all complaints received by the Ministry and it is accessible by other officers in the Central, Western and Northern Divisions. Additionally, the customer advocacy officer and senior management have designated official phones and are accessible to the public 24/7, minus their sleeping time of course.

DEPUTY CHAIRPERSON.- Thank you. Are there any other questions.

HON. V. PRAKASH.- I have one supplementary question. First of all, through you, Deputy Chairperson, I would like to thank the Ministry of Lands and Mineral Resources. We have been informed from the public as well there is a vast improvement in your service compared to previously when people used to be quite frustrated and we congratulate you.

Secondly, regarding the ownership of land as we all know that the ownership of State land is to the Ministry of Lands. If there is a dispute between the lessee and the dispute is, for example, regarding access to both tenant and if one breaches the tenancy requirement and Act, who is responsible to see that the complainant's complaint is addressed so that he does not have to run around in circle for years? So who is responsible here?

MR. M. FINAU.- I would say the staff of the Ministry. The complainant can go to the Division where the person is residing or located. If it is in the Central, Eastern or Western Divisions, it is the respective Division but we also have the number of our Customer Advocacy Officers on our website and it is made available to our tenants so that they can call including my number as well.

HON. V. PRAKASH.- In one case we found out that the letter was issued by the Director of Lands advising a tenant who had tried to clear off the access that he had encroached into and for months nothing has been done. So, where does the complainant go in that case even after the Ministry of Lands has taken action in writing.

MR. M. FINAU.- Any specific location? Would you be able to provide some details?

HON. V. PRAKASH.- Deputy Chairperson, we stay in Omkar. Omkar is one of the major State-owned land and also it is again a major squatter (informal settlement) as well. Normally the problem arises there and I have been approached so many times. This morning when I rang the Ministry of Lands Department, they said, "we are only up to here, we can only issue letters; if the tenant breaches anything, it is up to the complainant where he wants to go now, he can take legal action." I said, "No". To me it seems that it is the landlord who should be responsible to see that the tenant who has breached those types of things should be taken to task.

MR. M. FINAU.- Thank you Honourable Prakash, I agree with you and you may forward the complaint to us, maybe after this, then we will follow it up with the respective officers.

HON. V. PRAKASH.- It is along the Narere and Nasinu corridor right up to Sasawira. As we know that these are the areas where we have informal settlements and still I see under Government Programmes that those areas will be developed, we really want to know if officers have improved so that they do not try and throw their responsibilities from one table to the other and make people run around for years.

One tenant who pays his rent, et cetera, wants to develop and he is not even allowed to take materials because another tenant has taken part of the road. Such complaints come and it frustrates

us also. Thank you very much for that, Deputy Chairperson and I think the direction is very clear, we will see that it comes back to your table and things are sorted out. Thank you.

DEPUTY CHAIRPERSON.- Thank you Honourable Member, the Permanent Secretary will come back with those responses later on. You may proceed further.

Question No. 3.3 - The next question talks about the Ministry's record keeping process. If the Ministry has data management systems in place?

MR. M. FINAU.- Yes the in-house database that is currently being developed systematically captures the Land Bank statistics, strengthen the linkage with other Ministries' platforms such as the Land Bank App, Lease Administration System in place known as the Oracle, Fiji Land Information Portal , Vanua GIS and the complaints database.

DEPUTY CHAIRPERSON.- Any questions Honourable Members? None, you may proceed further.

Question No. 3.4 - Then next question talks about the monitoring and evaluation about land bank activities. Has the SOP been revised or amended to incorporate the monitoring process? What is the Ministry's monitoring process?

MR. M. FINAU.- Within the Ministry weekly reports that are submitted to Senior Management highlighting the work done by every Division including the Land Use Division, we have weekly achievements and work plans. We also have a monitoring team within the Ministry that monitors all the work done within the Ministry, we have a monitoring unit that monitors all leasing within the Division as captured in the Business Plans, and conducts evidence-based verification on a quarterly basis. That is how we have monitored the work, including the Land Bank activities within the Ministry.

MR. CHAIRMAN.- Thank you. Any questions on that, Honourable Members?

HON. A.M. RADRODRO.- A question regarding the monitoring and guidelines for the monitoring of leases. The Auditor-General's Report has stated that the Permanent Secretary and the Director of Lands will formalise these SOPs by 2018.

Can the Permanent Secretary confirm to the Committee whether those SOPs have now been formalised?

MR. M. FINAU.- Thank you, Honourable Radrodro. Our timeline is supposed to be due in the next month, April 2019. On page 29 of the Auditor-General's Report, within the next six months from the date of the meeting held on 29th October, 2018, so six months from that is April 2019.

Question No. 3.5: How does the Ministry reconcile the tallyman's records and whether this is also included in the SOP?

The tallyman's record relates to the removal of aggregate sand, soil, even minerals on the ground. For quarried rocks, irrespective of source, whether it is river or hard rock, rock materials that are processed (whether crushed or washed) through quarrying processes, all quarries are obligated by law under the Quarries Act, to submit tally of such materials processed by their respective operations on a monthly basis. This is verified by the mines or quarries' inspectors from

the Mineral Resources Department during inspection visits against production records by the company.

For river gravel extraction, it is under the Director of Lands; the companies who were granted licences have a pre-determined estimated volume of gravel in their license area. As the condition of the licence, all companies with river gravel licence need to record loads of gravel extracted and also have the tallyman from the *qoliqoli* owners or landowners to record loads of gravel or sand extracted from the river to the quarries for processing or for direct use. This is then verified during inspections and also against the volume estimated prior to issuance of licence.

For sand dredging, it is the truck load of sands sold out of the dredged stock pile in which it is recorded and tallied.

MR. CHAIRMAN.- Any questions, Honourable Members? If there is none, you may proceed further.

Question No. 3.6: Please, provide the breakdown and the details of lands that are currently under Land Bank by Province?

MR. M. FINAU.- These are the designated *iTaukei* land. We have a list we can provide, but by way of summary, we have the following details:

Nos.	Province	Total No. of Land by Province
1.	Bua	6
2.	Nadroga	5
3.	Nadroga/Navosa	10
4.	Ra	10
5.	Rewa	4
6.	Ba	12
7.	Ba (Yasawa)	3
8.	Tailevu	9
9.	Lomaiviti	4
10.	Kadavu	9
11.	Naitasiri	13
12.	Namosi	2
13.	Cakaudrove	6
14.	Macuata	4
Total		97

HON. V. PRAKASH.- Honourable Chairman, Sir, is it still Naitasiri leading in providing more land to the Land Bank?

MR. M. FINAU.- There are 13 at the moment, yes, indeed, that is correct, Sir.

HON. V. PRAKASH.- Naitasiri?

MR. M. FINAU.- Correct, Sir.

DEPUTY CHAIRPERSON.- Any more supplementary questions, Honourable Members? If there is none, you may proceed further, State Land.

MR. M. FINAU.- For State Land, there are just two Provinces: Bua and Macuata (parcels of land).

Thank you, Sir, we have come to the end of the questions that were submitted to us.

DEPUTY CHAIRPERSON.- Thank you very much for your submission. The floor is open to the Honourable Members, you may ask questions further or wish to make a comment.

HON. A.M. RADRODRO.- Thank you, Deputy Chairperson. Just a general question to the Ministry of Land: Permanent Secretary, in terms of the purpose of Land Bank, where I presume it is for generation of economic activities.

The criteria that you have highlighted in your answers is the ability to pay premium, survey fees and ground rental. I am just interested in terms of the returns that is generated to the landowning units, how does the Ministry ensure that there is real equitable return likewise in terms of what is generated to the landowning units, apart from just lease monies? They would have probably set some criteria or suggestions as to how best they can have equitable returns to the land that they give for Land Bank.

How does the Ministry of Land ensure that the landowning units also generate equitable returns on the leasing out of their lands under the Land Bank arrangement? Maybe, if I can give an example, say, for the Nausori Airport Extension, in terms of the land that has been given there, two or one is under the Land Bank arrangement, so how does the Land Bank ensure that there is equitable return to those that have also deposited their land under the Land Bank arrangement?

MR. M. FINAU.- Thank you, Honourable Radrodoro. We also conduct Financial Literacy Training to all the landowners that we consulted or for whose land has been designated into the Land Bank.

The Financial Literacy Training is not that we conduct it ourselves, we bring in the experts, the banks, in terms of rural banking, the investment agencies who come and actually advise the landowners on how best they could use their money, and we found that a lot of people in the rural areas have no bank accounts, so that is where we involved the Rural Banking Divisions of the commercial banks.

For investment, we also introduced the investment agencies: Unit Trust of Fiji and other investment in which we hope they could invest their money to have a better return on their lands, it is about the usage of the money. One thing we found is about the better utilisation as you have probably alluded to, Sir, and how they could get better returns for their funds, so those are the two.

Also, we intend to have our workshops where we bring together all the landowners and their representatives, and then when we talk about those things, getting better returns for their investments, those are some of the things that we have conducted.

HON. A.M. RADRODRO.- Thank you, Deputy Chairperson. What I am interested in is whether the Department is also considering things like joint venture arrangements with the landowning units, with the people that

MR. M. FINAU.- We encourage the landowners to have their own arrangements with their investments if they can. For example, do you have other modes rather than just relying on lease

money to also have agreements? I am not sure if there is any landowner that have their land in the Land Bank, to have a share of the

HON. A.M. RADRODRO.- Are they also part of your awareness programmes or policy, may be the landowners to be aware of what other options that the Department of Lands is giving them rather than just giving straightforward lease money? As per your criteria of giving out a Land Bank, is there other alternative options that you are also making the landowning unit aware of what economic benefits in addition to the lease monies that is generated out of that Land Bank arrangement.

MR. M. FINAU.- That is correct, Honourable Radrodro. If I may quote some examples: for the Kokomo Tourism Development in Kadavu, off Buliya Island, the landowners have their own arrangement with the investor where a certain percentage of the total Resort turnover is to be given to the landowners; one bottling company, I think, in Nananu-i-Ra Village in Ra, they also have similar arrangement but it has got to do with the percentage of earnings that are shared also, but we are just beginning.

HON. A.M. RADRODRO.- In terms of the Land Bank that they make with the respective landowners, what about the role of the Ministry of Lands?

MR. M. FINAU.- It is one of encouragement and we would like to promote that as well, to increase the return on the investment.

HON. A.M. RADRODRO.- I am asking that because the list that you gave shows Naitasiri is one of the highest.

MR. M. FINAU.- All right, I think that is a good model that you have alluded to, Sir.

HON. V. PRAKASH.- That is something for us to be proud of, Deputy Chairperson.

DEPUTY CHAIRPERSON.- Thank you so much. Yes, Honourable Lalabalavu.

HON. RATU N. LALABALAVU.- Deputy Chairperson, through you, Permanent Secretary, thank you for all that you have prepared, just the issue that I have, after hearing your reply to Question 2.11, the last paragraph is to do with SOPs on background checks for foreign investors.

I am a bit at a loss here since you do not have any, and secondly, you are still relying on Memorandums of Understanding (MOUs) with Investment Fijian and iTLTB. Yet, my understanding is that your coming into existence, you are overriding the Native Land Trust Act (NLTA). Yet, when it comes to background checks, you are relying on MOUs that TLTB has and even Investment Fiji has. You, as a leasing agency now, do you not feel that it is prudent that you have this in your SOPs so as to ensure that the interest of all is protected here, especially when you have companies coming from abroad and the need to thoroughly check their background; that is the issue that I have, Honourable Chair. Any comments on that?

MR. M. FINAU.- Thank you, Sir, we agree but I think we have also mentioned that we have due diligence with the Reserve Bank of Fiji for bringing skilled developers and investors and why we liaised with Investment Fiji because, I think, that is the first door of entry for investors when they come in to register so that they can check on their financials, et cetera.

For iTLTB, that is for the iTaukei land that is given to the Land Bank, so we need to have that checked from iTLTB whether the land is free and available, if it is unencumbered or if there is no *vakavanua*, so those are some of the reasons why we will still revert to iTLTB because they have the proper records. But I think it is a good suggestion where we should need to tighten up on the background checks that we do for the land that is to be designated.

DEPUTY CHAIRPERSON.- Yes, continue.

HON. RATU N.T. LALABALAVU.- The Land Bank as a leasing agency now, fully in charge of leasing aspects, meaning checking of investors and lessees, et cetera. That is the point that I am trying to drive at, not so much on what the iTLTB has in terms of looking after their own interest.

Now, once Native land has shifted to your Land Bank, the point that I am trying to ask is, the SOPs that you have, would it not be prudent that you just stated it in there. I think it is proper and wise to have one and I think it is very, very proper to have one. In having all sorts of people coming across to our beautiful country and we really do not know their background. That is the reason why I am raising that question.

DEPUTY CHAIRPERSON.- Understandable, Honourable Member. Thank you very much for your response. Any other comment or questions, Honourable Members?

HON. V. PRAKASH.- Deputy Chairperson, a lot has been said about the Land Bank. There are some very good comments about it and there are some comments which are quite worrying. Now, as a stakeholder, we want to know from you how is your Land Bank working currently and what is the demand?

MR. M. FINAU.- Thank you, Sir. We think it is working well, but there is always room for improvement going into the future. As I had mentioned, the initial SOP that we had developed, we now found that like any new development or any new leasing agency, it needs improvement but I think it can hopefully do better with a review and other improvements. This audit, I think, helps in a big way in highlighting some of the weaknesses that we need to improve on. Thank you, Sir.

HON. V. PRAKASH.- At the end of the day, Deputy Chairperson, it is the landowning unit and also the lessee, both should mutually benefit. That is why I think landowning units have given their trust to the Land Bank so that they can also benefit. I hope that the investment which they have left to the Land Bank, the institution is aware that both parties should be able to benefit and the country should benefit as well. I think that point should be quite clear because there is a wish and hope, first for the landowning unit to try and deposit land into the Land Bank. Can you assure that your policies that are there will definitely benefit the landowners?

MR. M. FINAU.- Thank you, Honourable Prakash. That is the intention and that is where we are working towards, to ensure that both or all parties benefit in this arrangement. Thank you, Sir.

DEPUTY CHAIRPERSON.- Thank you, Honourable Member. Thank you, PS for your response. Any other comments or questions, Honourable Members?

HON. A.M. RADRODRO.- Deputy Chairperson, just a point of clarification in terms of the database maintained by the Ministry, you mentioned that there is an in-house database that records all the details of the land parcels deposited into the Land Bank. What is this database? Is it a software or just a simple excel spreadsheet or

MR. M. FINAU.- It is a database. For the information of the Committee, we have expertise within the Ministry for information management. We have a whole Division which used to be called GIS Information Management Division but it is now called Geospatial Information Management Division. For all land leasing, it is under the programme known as Oracle.

We also have the *Vanua GIS*, a product which was developed by the Ministry. We also have the Fiji Land Information Portal, what we call the FLIP. It contains all the leases. As for a dedicated Land Bank Database, it is a system, it is not an Excel but it is a proper system - SQL based system that we have.

We have programmers and we also have GIS experts working together in the creation of database and also database developers. As I have said, we have one whole Division in the Ministry that does this, not only for the land information for Fiji but we have also dedicated some to the Land Use Division and the Land Bank.

HON. A.M. RADRODRO.- My last supplementary question; your answers on Question No. 2.6 states that 113 land parcels have been designated, 93 have been surveyed and 64 approved survey. In terms of compliance to the environmental issues and COP23, how does the Ministry ensures that those investors are fully compliant with the regulatory requirements in terms of developing the land?

MR. M. FINAU.- In terms of compliance to the environmental management, we have a dedicated Division as well. We have set up our own Environmental Management Unit which looks into environmental issues on our foreshore because there are also activities within the Ministry which has a lot of impact on the environment.

Some of the developments, depending on the Environment Management Act, if it is required that they do an Environmental Impact Assessment, then that is part of the requirement. It is assessed through various tiers before going to the final approval authority which is the Ministry for Environment. So that is how we have managed to ensure compliance with the environment. It is a new Division.

DEPUTY CHAIRPERSON.- Thank you very much for your response. Any other questions, Honourable Members?

Since there is no other question, PS and your team from the Ministry of Lands, thank you very much for your timely submission today. Members of the media and members of the public, thank you very much for the attendance. Also, the team from the OAG, thank you very much also and Una from Hansard, thank you.

We shall adjourn the meeting now.

The Committee adjourned at 2.13 p.m.