

APPENDICES

Appendix 1
Written Evidence
Ministry of Forestry

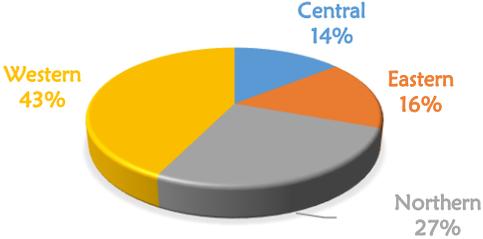
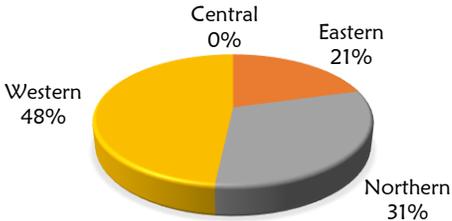


**DEPARTMENT OF FORESTRY 2016 (JANUARY-JULY) ANNUAL REPORT
RESPONSES TO THE STANDING COMMITTEE ON NATURAL RESOURCES**

No.	Subject	Questions	Responses																			
Question 1: Page 9	Point 5.1.3 “Speeches and Parliament Responses”	a) Can the Ministry consider including Ministerial Statements and Addresses at workshops and launches?	<p>Forestry speeches only:</p> <ul style="list-style-type: none"> • Opening Address - Regional Inception Workshop: REDD+; Forestry Conservation In Pacific Island Countries II; • Opening Address: National Forest Inventory Capacity Building Workshop On Data Analysis; • Parliament Address – Forestry Assistance post TC Winston; • Parliament Address – Forest Bill 2016; • Address at the Launch of the new timber preservative treatment plant. 																			
	Point 5.1.4: Staff	b) Can the Ministry please provide a list of Gender breakdown?	<table border="1" style="width: 100%; border-collapse: collapse; text-align: center;"> <thead> <tr style="background-color: #ffcc00;"> <th></th> <th>Male</th> <th>Female</th> <th>Total</th> </tr> </thead> <tbody> <tr> <td>Established</td> <td>84</td> <td>52</td> <td>136</td> </tr> <tr> <td>GWE</td> <td>41</td> <td>9</td> <td>50</td> </tr> <tr> <td>Project</td> <td>40</td> <td>8</td> <td>48</td> </tr> <tr style="font-weight: bold;"> <td>Total</td> <td>165</td> <td>69</td> <td>234</td> </tr> </tbody> </table> <p>Males make up 70.5% and Females make up 29.5% of the overall workforce.</p>		Male	Female	Total	Established	84	52	136	GWE	41	9	50	Project	40	8	48	Total	165	69
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GWE	41	9	50																			
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Question 2: Page 11	Sawmills	<ul style="list-style-type: none"> • In relation to Sawmills in Fiji can the Ministry explain the sudden increase of the unlicensed /non-operational sawmills from 34 in the 2015 	<p>The sudden increase in unlicensed sawmills was due to the need for rehabilitation operations in the aftermath of TC Winston. Those unlicensed sawmills were specifically used for housing rehabilitation.</p> <p>Under the Forest (Sawmill) Regulations 1968, a license will be required only for commercial operation of sawmills.</p>																			

No.	Subject	Questions	Responses
		Annual Report to 62 in the first six months in 2016.	Some sawmills were unlicensed due to owners not having secured log supply or not applying for a license by their choice.
		<ul style="list-style-type: none"> Out of the 62 sawmills, how many were licensed and how many were not in operation? 	<p>The total sawmill list for the reporting period was 106 and the breakdown below;</p> <ul style="list-style-type: none"> 44 – licensed 62 – unlicensed (11 unlicensed & not operational due to damage sustained during TC Winston, 17 unlicensed but operational for rehabilitation purposes, 34 portable sawmills non-operational and unlicensed due to non-compliance to licensing requirements or no longer viable to operate commercially. The service life for portable sawmills is around 5 years beyond which they become uneconomical in terms of production versus servicing & maintenance.
		<ul style="list-style-type: none"> The Committee wishes to know whether the 62 unlicensed/non-operational sawmills is one of the Ministry of Forestry challenges in achieving production targets. If yes, what is the Ministry doing to address the challenges? 	<ul style="list-style-type: none"> Achieving production targets is not a requirement set by the Ministry and it is up to the individual sawmiller based on their market demand and the capacity of each sawmill. The major challenge for the Ministry is improving the efficiency and effectiveness of timber processing and timber use in Fiji, contributing to the sustainable management of the country's forest resources. The Ministry addresses these challenges through its quarterly monitoring and provides technical advice, training and assistance to these sawmill operators in order to improve their recovery rates.
Question 3: Page 10	Log Production	Can the Ministry provide the targets for its log production under the period shown?	<p>Quantity / Target :</p> <ul style="list-style-type: none"> Native Round Log Production: 30,000m³ Pine : 100,000m³ Mahogany : 1,000m³ <p>Total Log Volume Production: 131,000m³</p>
Question 4: Page 13	Forestry Imports	Can the Ministry consider various ways and means to reduce the importation of timber products?	The increase in imports for the reporting period was mainly due to the huge timber demand after TC Winston. Most local sawmills were not in operation even though they were licensed due to power outages, damages to logging roads and bridges etc. In addition, the processing of timber takes time from harvesting to sawmilling right up to drying and treatment before being utilised. This process takes around 4 to 6 months and coupled with the lack of power supply the only available option was to import timber.

No.	Subject	Questions	Responses																				
			Having said that, the Ministry has controls in place for importation of timber products that are also processed locally i.e. sawn timber, profile products, post/pole and plywood. All applications for these products require a letter from the local supplier confirming that they cannot supply before an import permit is issued.																				
Question 5: Page 14	Permanent Sample plots	a) Can the Ministry elaborate as to whether the harvesting figures commensurate to PSP (permanent sample plots) figures?	<p>The Permanent Sample Plots (PSP) are for research purposes and do not commensurate to harvesting figures. These are plots all over Fiji, used to measure growth of trees annually to allow the Ministry to come up with an annual allowable cut from native forests to ensure sustainable supply of timber in perpetuity.</p> <p>Forest Harvest Area reports and Timber statements are used to account for all removals from forests under a License.</p>																				
	Kiln drying	b) Can the Ministry explain on what can be done to increase kiln drying in the North?	<p>Kiln drying can only be increased in the North if there is a big demand for kiln dried timber products. Operators will invest in kiln drying facilities if they find it economically viable for their business.</p> <p>However, the weather in the North is also suitable for air drying timber. Treatment plant operators can air dry timber to 25% moisture content in less than a month before treatment.</p>																				
Question 6	Agarwood & Sandalwood	Can the Ministry please provide a list of Sandalwood and Agarwood farmers in the 4 divisions?	<p>Sandalwood Sandalwood growers are categorised into two main types based on the current sandalwood resource stock on the ground. Sandalwood plantations that are less than 1 hectare are categorised as Small Scale Grower (SSG) and for those that are 1 hectare and more are classified as Large Scale Growers (LSG).</p> <p>Table 1: Sandalwood farmers in the four divisions</p> <table border="1"> <thead> <tr> <th rowspan="2">Division</th> <th colspan="2">Types of Growers</th> </tr> <tr> <th>Small Scale Grower</th> <th>Large Scale Grower</th> </tr> </thead> <tbody> <tr> <td>Central</td> <td>191</td> <td>0</td> </tr> <tr> <td>Eastern</td> <td>218</td> <td>6</td> </tr> <tr> <td>Northern</td> <td>357</td> <td>9</td> </tr> <tr> <td>Western</td> <td>571</td> <td>14</td> </tr> <tr> <td>Total</td> <td>1,337</td> <td>29</td> </tr> </tbody> </table>	Division	Types of Growers		Small Scale Grower	Large Scale Grower	Central	191	0	Eastern	218	6	Northern	357	9	Western	571	14	Total	1,337	29
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			<p data-bbox="978 285 1619 313">Graph 1: Percentage of Small Scale Growers in the 4 divisions</p>  <table border="1" data-bbox="1144 337 1627 576"> <caption>Data for Graph 1: Percentage of Small Scale Growers</caption> <thead> <tr> <th>Division</th> <th>Percentage</th> </tr> </thead> <tbody> <tr> <td>Western</td> <td>43%</td> </tr> <tr> <td>Central</td> <td>14%</td> </tr> <tr> <td>Eastern</td> <td>16%</td> </tr> <tr> <td>Northern</td> <td>27%</td> </tr> </tbody> </table> <p data-bbox="1062 680 1703 708">Graph 2: Percentage of Large Scale Growers in the 4 divisions</p>  <table border="1" data-bbox="1150 745 1602 966"> <caption>Data for Graph 2: Percentage of Large Scale Growers</caption> <thead> <tr> <th>Division</th> <th>Percentage</th> </tr> </thead> <tbody> <tr> <td>Western</td> <td>48%</td> </tr> <tr> <td>Central</td> <td>0%</td> </tr> <tr> <td>Eastern</td> <td>21%</td> </tr> <tr> <td>Northern</td> <td>31%</td> </tr> </tbody> </table> <p data-bbox="877 1024 1010 1052">Agarwood</p> <p data-bbox="877 1057 1961 1117">The Ministry has Agarwood research trial plots in which it uses to conduct morphological and phenological studies of this exotic tree species.</p> <p data-bbox="877 1151 1961 1211">The Ministry has not yet ventured into recording the list of Agarwood farmers as it is still conducting research on Agarwood.</p>	Division	Percentage	Western	43%	Central	14%	Eastern	16%	Northern	27%	Division	Percentage	Western	48%	Central	0%	Eastern	21%	Northern	31%
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Question 7	Forest fires	In view of what is happening in overseas countries regarding forest fires, the Committee wishes to know if there is any plan	In response to addressing forest fires in Fiji, the SPC Reforest Fiji Project, the SPC Land Resources Division, the Ministry of Agriculture (MOA), Ministry of Forestry (MOF), the National Fire Authority (NFA), the Ministry of ITaukei Affairs and other partners are working towards increasing awareness of fire management and to develop a National Strategy for managing forest fires.																				

No.	Subject	Questions	Responses
		in place by the Ministry to address forest fires in Fiji.	This Strategy will align with the amendments to the Forest Act. Section 36, 37 and 38 of the proposed amendments have provisions for forest fires. Section 36 states that unless authorised by a license, no person shall light or cause to lit a fire in any forest including plantation forest. Section 38 states that any person who lights a fire in contravention of section 36 commits an offence and shall be liable upon conviction of any damage caused by the fire notwithstanding any efforts they may have made to prevent such damage.
Question 8	Reforestation	a) Can the Ministry elaborate further on re-forestation of native species?	The Ministry conducts re-afforestation of native species as it is a part of the reforestation target. Native tree species is also part of Fiji's contribution towards the United Nations 2030 Agenda for Sustainable Development particularly the Sustainable Development Goal (SDG) 15 which states 'Protect, restore and promote sustainable use of terrestrial ecosystems, sustainably manage forests, combat desertification, halt and reverse land degradation and halt biodiversity loss'. Reforestation will complement natural regeneration of indigenous species in Natural forests, while ensuring preservation of the genetic diversity of Fiji's indigenous tree species to maintain all endemic species.
	Reforestation by loggers	b) Can the Ministry advise if loggers are still required to replant indigenous species that have been logged and who is monitoring and what is the process?	Yes, The Ministry has been enforcing replanting of trees through agreement between LOU and contractors and also part of EIA consultation recommendation before approval is granted for the issuance of a harvesting license. Beat/Station officers managing the licensed areas are responsible for the monitoring of licensing conditions including the verification and mapping of the planted area. Planting record is submitted through the normal forestry process.
Question 9: Page 29	Forest Health	Can the Ministry confirm whether the Pest List Manual has been published?	A draft Fiji Forestry Pest Manual has been developed. This is yet to be finalised and published. The Ministry will progress this project.
Question 10: Page 30	Logging practices	a) Can the Ministry clarify the type of logging being undertaken currently and which type best suits Fiji's climate?	The Ministry issues license with a strict Standard Operating Procedure which covers 9 phases for both native and plantation. For plantation forests, the most logical practice is clear-felling. Clear-felling is the removal of all trees from an area chosen for harvesting. The method is the most efficient for both harvesting and replanting trees. Consequently, this method is the most financially sound, generating more consistent and higher rates of return for the company. Buffer zones are allowed to be left along major rivers and streams.

No.	Subject	Questions	Responses
			<p>For Native logging License, the Ministry adheres and enforces selective logging through Diameter Limit Table (DLT) which is very sustainable, preserves the biodiversity of forests and well suits the climate in Fiji while allowing regeneration of seedlings on the forest floors which are cleared</p>
	Selective logging	<p>b) Can the Ministry provide a brief report on selective logging and its success?</p>	<p>Fiji has developed a sustainable forest management system (SFM), which has now been put into practice. The Fijian SFM system, which is unique in the South Pacific, is based on species-specific felling diameter limits: A tree of a certain species is only allowed to be harvested if it has reached the respective minimum diameter (dbh) listed in the so-called Diameter Limit Table (DLT).</p> <p>The felling of the selected and marked trees (selective logging) must be carried out by the licensee (or the subcontractor) according to the reduced impact logging (RIL) standards given in the Fiji Forest Harvesting Code of Practice (FFHCOP). Selective logging is the practice of removing one or two trees and leaving the rest intact is considered a sustainable alternative to conventional logging, in which large areas of the forest are cut down, leaving little behind except wood debris and a deforested landscape. Selective logging reduces visual scarring, preserve species diversity in forests by felling of trees whose DBH are bigger than 35 and ensures that the forest canopy is preserved.</p> <p>The exercise requires full commitment from contractors, Land Owning Units (LOU) and Forestry officers on selecting, marking, felling and scaling of logs according to the DLT requirements. The application is very transparent, benefits sharing and managing of resources sustainably with evidence shown on establishment of livelihood projects through trust fund paid as on royalties according to the class of species logged. This is successful as we see forests harvested 15-20 years ago, being considered for re-harvesting since species have acquired considerable diameter growth within this time</p>
	Natural forest management	<p>c) Can the Ministry advise what is the status quo of the Natural Forest Management Pilot Project (NFMPP) prescriptions to date?</p>	<p>Second rotation logging at Nakavu NFMPP site started in 2014 and continues in 2016. In 2016, the continuation of the 2nd rotation initiated on the 5/08/2016 under a new contractor which led to the completion of logging in compartment 3, 4 & 7; and continuation in compartment 2 and 3 resulting in the total volume removed to 1805.16 m3. The Monitoring, Control & Surveillance (MCS) team together with the beat officers of the Ministry are carrying out the monitoring and evaluation to ensure that compliance of the DLT is followed by the contractors.</p> <p>Since this is a research plot, harvesting is very controlled to ensure that all compartments having different logging prescriptions are monitored closely and permanent plots established</p>

No.	Subject	Questions	Responses
			throughout the Project area to measure growth (height, diameter and health) annually to derive the most effective diameter limit to be cut for ensuring the forest is sustainable for future logging.
Question 11: Page 33	Research on non-wood and lesser-known species	Traditionally our people have been known for building houses from local bamboos; the Committee wishes to know whether the Ministry through its research unit have plans for the same to compliment Government's initiative in tackling poverty and rural housing needs in our rural communities.	<p>The Ministry is now conducting research on bamboo with more than 20 species available locally. Fiji is now a member of the International Bamboo and Rattan Organisation (INBAR) and the Ministry is working with other overseas partners/ institutions, Ministry of Infrastructure, Habitat for Humanity, and Fiji National University (FNU) on the properties and potential use of bamboo for construction purposes. Research is being undertaken to study what species we have, testing the strength of these species, how to treat with preservatives to ensure buildings last long and are cyclone proof.</p> <p>Once research findings are published and added into Fiji's building code, construction of houses using bamboo can be sustained.</p>
Question 12: Page 34	Pine Resin Tapping	a) Can the Ministry provide an explanation as to why the pine resin extraction has been stopped?	Pine resin tapping was stopped by the investor from South America due to his own reasons. Since then, there have been small businesses extracting pine resin from pine forests outside the Fiji Pine lease.
	SCARF	b) Can the Ministry provide an update on the success of the Seed Capital Revolving Fund (SCARF) project and what is the plan?	<p>The decision to approve financial assistance under SCARF solely lies with the Fiji Development Bank after applications are vetted based on the technical capability of the business in terms of forestry.</p> <p>The Ministry has supported a number of applications for purchase of machinery and other equipment to support their forestry business, while most were given harvesting and cartage contracts with Fiji Pine Ltd. The Ministry continued to provide technical advice and assistance to all successful recipients of SCARF while financial performance is monitored by FDB. SCARF assistance continued in 2017.</p>
Question 13	Coco-wood project	Can the Ministry please clarify more on the Coco Wood project?	The Coco-wood Project was facilitated by ACIAR, in partnership with SPC and the Forestry Department. The Coco-wood project however ended its 3 year project in June 2016.

No.	Subject	Questions	Responses
			<p>The project made a significant technological breakthrough in demonstrating for the first time that high density, senile coconut stems i.e. 65 years old with low nut productivity can be reliably peeled into quality veneer using relatively low-cost, spindleless lathe technologies before manufactured into engineered wood products such as plywood. Similar results were obtained for other small dimension stems from other species.</p> <p>The studies were initiated in response to the need to usefully utilise senile coconut palms to produce saleable products to generate income and incentivise farmers to replace their aging palms with a younger and more productive crop.</p>
Question 14	Audit issues	a) What steps have the Department of Forestry taken to address the three (3) issues raised by the Auditor General that forms the basis of a Qualified Opinion for its financial review under this period?	<p>The Ministry had submitted requests to Ministry of Economy in 2019 for adjustments and also sought approval from OAG for adjustments in 2020. Based on the OAG response, the Ministry of Forestry has to liaise with Ministry of Economy for direct posting. Therefore, the Ministry is resubmitting its requests to the Ministry of Economy to reconsider adjustments in this financial year 2020-2021.</p>
		b) What monitoring mechanisms are in place and how effective are they in terms of their harvesting?	<p>For Harvesting, the current standard operating procedure is very strict which includes 9 steps. Standard forms are developed for record keeping and lodgments. Each beat office also has detailed record books of active licenses. Any pending payments of royalties and fees will be documented very well. All royalty receipts are sighted before contractors are allowed to proceed with harvesting their next coupe or compartment</p> <p>All activities are reported weekly in alignment with revenue collected as in output targets. Beat officers are required to submit their monthly return as evidence of what they have been reporting every week. All timber revenue statements are recorded in a database which shows volume harvested, royalty expected and fees collected.</p>

Appendix 2
Annual Report Summary
Department of Forestry



Annual Report Summary – Department of Forestry January – July 2016 Annual Report Standing Committee on Natural Resources

Vision–“Our Future Generation will inherit a Prosperous and Enhanced Forestry Sector”

Mission–“Improving Livelihood through SMART Policies on Sustainable Management of Forestry Resources”

January – July 2016	
Background	<p>The Department is responsible for the:</p> <ul style="list-style-type: none"> • Implementation of the Fiji Forest Policy 2007; • Administration and enforce Forest Legislation; • Conservation, sustainable utilisation and management of forest resources; • Approval and issuance of forest related licenses; • Provision of training, extension services and research; and • Coordination with key stakeholders including forest resource owners.
Organization Structure	The organization structure can be viewed on page 8 of the annual report.
Major Highlights	<ul style="list-style-type: none"> • The Forest Bill 2016 [Bill No. 13 of 2016], which is a review of the Forest Act 1992, was tabled in Parliament and also presented to the Natural Resource Standing Committee in 2016. The Bill is the outcome of several stakeholder consultations with the view of revising the 1992 Forest Act, as approved by Cabinet, to include recent developments within the Forest Sector in addition to supporting the full implementation of the Fiji Forest Policy 2007. • The Ministry also worked on reviewing two forestry regulations, the Preservative Treatment Regulation 1992 and the Forest Sawmills Regulation 1968, to ensure that they capture recent developments in the Sector. • Fiji has a total of 1.2 million hectares of forest area, of which natural (indigenous) forests comprises 82.1%, Pine comprises 7.2%, Mahogany comprises 5.7% and Mangrove comprises 5.0%. Northern division has the most forest areas covering 40.6% of total forest area, followed by Central/Eastern division with 30.8% and Western division with 28.6%. • National log production from January-July 2016 stood at 225,011 m³, of which Pine was 172,473.2 m³ (76.7%), Mahogany was 27,017.1 m³ (12.0%) and Native species was 25,520.8 m³ (11.3%). • A total of 44 sawmill licenses were issued during January-July 2016.



- A total of 106 sawmills existed in Fiji during this period in which 31 (29.2%) were static sawmills while 75 (70.8%) were portable sawmills. 44 were licensed and 62 were unlicensed (non-operational).
- Under the Forest (Preservative Treatment) Regulations 1996, only 16 treatment plants were licensed during this period while 7 plants were unlicensed (non-operational), in which 2 have closed down namely Global Import and Export in the Western division and Lumber Processors in Northern division. 3 new treatment plants Taiwan Timbers, Timber Utilisation Division and Narocake Pine Scheme have been installed this year which are located in Gau Island.
- Total export value of forest products in the 7-month period totalled to \$38.6 million. The 2 major export commodities were pine chips and sawn timber which generated total export revenue of \$35.4 million and comprises 91.6% of total exports.
- Total import value of forest products in the 7-month period amounted to \$22.5 million. The major import commodity was sawn timber which stood at \$11.5 million and comprises 51% of total imports.
- Annual Licenses:
 - Total annual logging licenses (right licenses) issued during this period was 319 of which 128 (40.1%) was issued from Central/Eastern Division, 64 (20.1%) from Western Division and 127 (39.8%) from the Northern Division.
 - New licenses issued was 120, of which 47 (39.2%) was issued from Central/Eastern Division, 22 (18.3%) was issued from Western Division and 51 (42.5%) was issued from Northern Division.
 - A total of 199 licenses were renewed of which 81 (40.7%) was from Central/Eastern Division, 42 (21.1%) from Western Division and 76 (38.2%) from Northern Division.
 - 114 licenses were operational in Jan-Jul 2016.
- Timber Processing:
 - 44 sawmills were licensed to operate during this period with a total sawmill log intake capacity of 45,526.68 m³.
 - Out of the 26 treatment plants, 16 treatment plants were licensed to operate in the country during the 7-month period while others were unlicensed and 2 plants closed down.
 - A total of 20 kilns were visited during this period. Of these, 15 were operational, 1 was non-operational and 4 under re-construction.
- The National Forest Inventory (NFI) Statistics Report was drafted using the findings from the 2007 NFI. A draft has been prepared and proper analysis is currently being done before the Report will be published in the next financial year for public use.
- The Permanent Sample Plots project has been ongoing since its inception in 2009 and has completed 4 out of the 7 activities based on its Public Sector Investment Program (PSIP). Two more activities are left to be carried out to achieve its objective which is to ascertain the annual allowable cut for Fiji's natural forest. The ongoing activity is the measurement of PSP plots. There were a total of 17 plots measured; 7 plots for Viti Levu whilst 10 plots for Vanua Levu.
- Establishment of REDD+ unit - In January 2016, six staff were engaged in the REDD+ Unit. Three officers (Project Officer, Executive Officer and Driver) and three consultants were funded by the FCPF grant (Technical Advisor / Team Leader, Communication



Knowledge Management Specialist and MRV Specialist). The REDD+ unit office was set up in the Management Services Division, Colo-i-Suva and was completed and opened to use.

- Strengthen (Monitoring, Reporting and Verifying) MRV and Safeguards:
 - Strategic Environmental and Social Assessment (SESA), Environmental And Social Management Framework (ESMF), Resettlement Policy/Process Framework (PF) And Safeguard Information System (SIS) for Fiji REDD+ Readiness consultancy was developed.
 - Activities undergoing procurement process include the following:
 - Establishment of a Forest Reference Level (FRL) for forest land and development of a system for Monitoring, Reporting and Verifying (MRV) carbon emission reductions from forests in Fiji consultancy;
 - Digitising of Forest Cover Change; and
 - Methodology of Forest Cover Change detection 2007 – 2012.
- REDD+ Project in Drawa. One working group meeting was conducted and one workshop (organised by Live and Learn) on the REDD+ Steering Committee members to review REDD+ Project in Drawa. All recommendations discussed had been forwarded to Live and Learn for their necessary actions.
- FBC “4 The Record” an hour-long television program successfully aired on Sunday 14 February 2016 advocating for the Fiji REDD+ Program and featuring officials from Forestry, iTaukei Affairs and NatureFijiMareqetiViti (NFMV).
- A Lecture was conducted at USP on forest management and ecosystem functions.
- The REDD+ Safeguard working group reviewed the USP SESA consultancy proposal. The Final SESA consultancy work proposal was received and forwarded to World Bank for contract preparation.
- Emalu pilot site REDD+ lease offer was accepted by the Department of Lands and Request of waiver of Tender for lease offer payment was submitted to Fiji Procurement Office for processing.
- National Land use planning guidelines workshop was conducted. The workshop was attended by various sectors and agencies to provide their expertise towards the finalisation of the drafted guidelines. It was ensured that the Fiji land use planning process complies with various national and international requirements and expectations. This includes the Free, Prior, and Informed Consent (FPIC) principles, the inclusion of gender issues, the consideration of climate change impacts, and supporting the implementation of Fiji’s Green Growth Framework. The Emalu REDD+ pilot site land use planning was a case study presented during the workshop.
- Sustainable Forest Management Training & Awareness:
 - Sustainable Forest Management (SFM) is the process of managing forest to achieve one or more specified objectives of management with regards to the production of continuous flow of desired forest products and services without undue undesirable effects on the physical and social environment. It ensures that forest resources are preserved to meet the needs of future generations.



- The SFM Training target for 2016 focuses on supporting the International Tropical Timber Agreement (ITTA 2006) as well as supporting the Strategic Priority 4 of ITTO Action Plan 2013– 2018 which is to reduce deforestation and forest degradation and enhance the provision of environmental services.
- The focus was on the following areas:
 - Raising awareness and improving the understanding of ecosystem services, mangrove systems and coastal ecosystems amongst the Rewa and Tailevu Community;
 - Implementing an applied management action plans for the conservation of mangrove land and sustainable agricultural practices on sloping terrain;
 - Capacity building through the strengthening of village-based natural resources committee; and
 - Promoting alternative sustainable livelihoods through collaboration and technical support from the partnering agencies and organisations.
- The period Jan-Jul 2016 was a very challenging one given the massive destruction caused by Severe Tropical Cyclone Winston as most of the activity targets were disrupted and all field trials and seed sources were damaged affecting seed production, and resources were diverted to rehabilitation work.
- Establishment of Alternative Species Trial for *P.caribaea* – Drasa. This trial was established on logged-over Fiji Pine Ltd land in Drasa. The objective is to compare the growth performance of *Pinus caribaea* with potential alternative species. It includes *Eucalyptus clozeana*, *Eucalyptus camaldulensis*, and *Pinus caribaea* as control.
- Growth Studies on *Aquilaria* sp. (Agarwood) - The block of Agarwood was established at Colo-I-Suva in April, 2015. Forty trees were planted. The objective is to study the growth dynamics of the species, and to establish a seed stand for seed production. Survival dropped to 87.5 % due to damages caused by TC Winston.
- Growth Studies on *C. inophyllum* (Dilo) - The objective of this study is to investigate the genetic variation and phenotypic characteristics of *C. inophyllum* in Pacific islands, and to use data for breeding populations that adapt well in various regional environments and future climate change. Three plots were established: site 1 (Vunimaqo) in May 2014, site 2 (Sigatoka Sand Dunes) in July, 2014, and site 3 (Mataso) in December, 2015. Sites 2 and 3 were written-off due to very high mortalities, and land dispute respectively. Twenty-one Dilo families from Japan and Fiji were included.
- Forest Restoration Trial in Degraded Areas:
 - The objectives of this project is to establish a demonstration area for forest restoration in degraded areas, study performances of different species in the degraded site, and observe the response of plants to various forest restoration methods and silviculture treatments.



- The design RCB is replicated 3 times in 14-tree row plots inter-planted with sandalwood and other species. It includes more than 600 trees of eleven native/exotic species.
- Two forest restoration systems were applied namely Assisted Natural Regeneration (ANR) and Framework Species Method (FSM). These were aimed at facilitating rapid canopy closure, shade out weeds (site “re-capture”) and to attract seed-dispersing animals (recruitment).
- Site 1 (Nanukuloa) which was established in March 2015 was destroyed by TC Winston and has been re-established. Site 2 (Yavuna) was established in July 2015.
- Mixed-Species Woodlot Trial:
 - The objective of the trial is to compare the growth performances of different species in a woodlot, and establish a demonstration plot for mixed species woodlots.
 - Four valuable timber species are included namely: Teak (*Tectona grandis*), Mahogany (*Swietenia macrophylla* prov. Tela-Honduras), Siamese Rosewood (*Dalbergia cochinchinensis*), and Queensland Maple (*Flindersia brayleana*).
 - Site 1 (Colo-I-Suva) was established in March, 2015, and site 2 (Ba) in December, 2015.
- Sandalwood Spacing Trial - The objective is to establish a spacing trial for studying the effect of spacing on the growth of sandalwood, and for demonstration and seed production. Three spacing are compared: 3m x 3m, 4m x 4m, 6m x 3m. Site 1 (Kumi) was established in July, 2014, site 2 (Wainiyabia) in August, 2014, and site 3 (Colo-I-Suva) in December, 2014.
 - The larger sandalwood and coffee (*Coffea arabica*) trees at Kumi were fruiting. When in full production this sandalwood stand will greatly raise the Forestry Department’s capacity to supply sandalwood in the coming years.
- Seed Collection - TC Winston affected the achievement of seed collection targets for 2016. Only 43.6 kg seeds were collected of which 5.8kg [13%] were sandalwood seeds, and 37.8kg Native timber tree species [87%].
- Seed Processing and Sowing - A total of 3.78kg sandalwood and 13.4kg native species were processed and sown with 24,693 seeds and 29,695 seeds respectively.
- Germination - A total of 9,864 germinants were produced during the year, and this included 5,922 sandalwood (13%), 2,652 native species (27%), and 1,290 exotic (13%).
- A total of 6.0 kg *S.macrophylla* seeds were sold and distributed in 2016.
- A total of 1,483 seedlings were distributed during the year (*details can be seen on pages 26-28 of the annual report*).
- *S.yasi* Clonal Seed Orchard (CSO)/Gene Conservation Area (GCA) - The objective is to establish a seed orchard for pure *S.yasi* seed, and for conserving genes of the natural population. Two sites namely Lodonu and Vunimaqo have been established for this purpose.
- Commodity Profiling of Priority Species - Under this activity twenty-five (25) tree species has been identified and necessary information collated for profiling the tree species, with the assistance of TUD and USP-IAS. This Guide is aimed at promoting the key timber tree species to investors into the country who wish to know more about timber tree resources of Fiji.



- Three Forest Health Assessments were conducted in 3 research trial plot sites, namely the Forest Restoration Trial in Yavuna, Sandalwood Spacing Trial in Kumi, and the S.yasi Gene Conservation Area at RKS (Lodoni).
- Second-Rotation Logging - Nakavu NFMPP Site - The primary objective of the Natural Forest Management Pilot Project (NFMPP) at Nakavu is to develop management prescriptions for communally owned indigenous forests. The 300 ha area was divided into 12 compartments (25 ha) each and replicated under different logging intensities: conventional (CL), heavy (HL), medium (ML), light (LL) and Zero (ZL) logging. Selective logging commenced in August 1992 and was completed in June 1994.
- Capital Project – Sandalwood Development Project (SDP) - A total of \$100,000 was allocated for Sandalwood Development Project for 2016. As at 31st July, 2016 the project utilisation rate was 39% with an overall achievement rate of 23% against the 2016 target. The low utilisation rate and overall achievement rate is closely related to the impact of TC Winston that struck Fiji in February the 20th and the ending of the 2016 fiscal year on 31st July.
- Sandalwood Seedling Production - The sandalwood seed and seedling target for 2016 was 25 kg seeds and 17, 500 seedlings respectively. However, at the end of July, 2016, a total of only 10 kg was procured, which were purchased from resource owners and seed sources such as Naiviqiri (Bua), Nagadoa (Bua), Tagaqe (Nadroga), Culanuku (Serua), Naboutini (Serua), Tiliva (Kadavu) village and others, for \$1,000.00 (\$100/kg). A total of 9,654 seedlings were raised in the nursery within this period, which also included wildings collected from Vunimaqo Sandalwood seed stands.
- Field-Planting Program - The sandalwood field planting program involved assisting of interested communities, individuals and private stakeholders in planting sandalwood. Seedlings and technical advice were provided during the implementation program. The planting target for 2016 was 24 hectares. Seedlings used were raised in the SRD Nursery or purchased from private and community-based nurseries.
- Sandalwood Community-Based Nursery Assistance - A total of 8 nurseries were targeted for development in 2016 but only one was achieved. This sandalwood private nursery was set up in Votua Village, Bua.
- The Coco-wood Project was facilitated by ACIAR, in partnership with SPC and the Forestry Department. The Coco-wood project however ended its 3-year project in June this year (2016). A 2-day workshop was conducted to mark the “End of Project” and also conducted during the workshop was the handing over of the Lathe machine to the Forestry Department.
- Research on the Effects of Resin Tapping on Timber Quality - This research aimed to study and compare the timber qualities between untapped and tapped pine. The results from the study will assist industries, resources owners and also the general public that have special interest in Pine Resin Extraction and Pine timber as commercial product.
- Itto Project – Community Based Restoration & Sustainable Management Of Vulnerable Forests Of The Rewa Delta, Viti Levu - This project is one of the Ministry’s internationally funded projects with the idea of sustainable management of coastal and mangrove forest. The project started in October 2015 with full consultation to all relevant stakeholders who are directly and indirectly involved in the implementation of this project. The project was supported by the University of the South Pacific, the Conservation International and the Secretariat of the Pacific Communities (*details can be seen on page 35 of the annual report*).



- Colo-I-Suva Forest Park:
 - Colo-i-Suva (CIS) forest park is within the Colo-i-Suva forest reserves. The forest park on the three Mataqali land of Tuirara, Matanikorovatu and Naulukaroa shows the boundary for each of the Mataqali. The Park itself covers an area of approximately 92 ha which consist about 25% of the total reserve. It contains many tree species that are vital to the survival of certain fauna such as Vadra (pandanus pyriformis) tree.
 - The birdlife in the park is of international importance. Of all the fifty-seven land birds in Fiji there are about 30 bird species found in the CIS Forest Park. Out of the 57 land birds 26 are found to be endemic whereas for CIS Forest Park there 17 endemic bird species found in the Park.
 - CIS has also become a popular picnic spot for locals and tourists over the years. For the period Jan-Jul 2016, CIS were visited by a total of 25,619 visitors raking in a total revenue of \$59,601.00.
- The Department manages a total number of seventeen Forest Reserves and seven Nature Reserves covering a total forest area of 34,890.43 hectares. Other parks and reserves managed by other Environmental organisations cover a forest area of 17,004.5 hectares. The maintenance of Forest Reserves activities mainly included boundary maintenance and demarcation. Annual lease and compensation payments for all reserves amounted to \$66,426.14.

Financial Position	31 July 2016 (\$)		31 December 2015 (\$)	
	Total Receipts	1,388,702	3,543,597	
Total Operating Expenditure	10,709,462	14,767,751		
Total Capital Expenditure	5,363,863	6,419,193		
Total Expenditure	16,914,837	22,892,886		
TMA – Profit and Loss Statement (Total Income)	10,153	15,578		
TMA – Profit and Loss Statement (Total Expenses)	43,263	59,026		
Net Loss	(33,110)	(43,448)		
Trust Account – 1/3 Subsidy Scheme (Total Receipts)	112	63,527		
Trust Account – 1/3 Subsidy Scheme (Total Payments)	1,824	5,618		
(Deficit)/Surplus	(1,712)	57,909		
Total Assets	2,571,967	77,781		



	Total Liabilities	2,536,520	26,033
	Net Assets	35,447	51,748
	Total Equity	35,447	51,748
Auditor's Opinion	<p><u>Audit Opinion</u> The Auditor has audited the financial statements of the Ministry of Fisheries and Forests, which comprise the Statement of Receipts and Expenditure, Appropriation Statement, Statement of Losses, TMA Manufacturing Account, TMA Trading Account, TMA Profit and Loss Statement, TMA Balance Sheet, Trust Statement of Receipts and Payments for the 7 months period ended 31 July 2016, and the notes to the financial statements including a summary of significant accounting policies.</p> <p>In Auditor's opinion, except for the effects of the matters described in the Basis for Qualified Opinion paragraph, the accompanying financial statements are prepared, in all material respects, in accordance with the Financial Management Act 2004, Financial Management (Amendment) Act 2016 and the Finance Instructions 2010.</p> <p><u>Basis for Qualified Opinion</u></p> <ol style="list-style-type: none"> 1. There is an unreconciled variance of \$224,312 between the fishing license fees of \$405,640 and FMIS general ledger balance of \$629,952. Consequently, Auditor could not confirm the accuracy of revenue amount. 2. There was no independent audit verification carried out for the Raw Material account balance of \$16,792 and Finished Good account balance of \$1,229 in TMA Balance Sheet as at 31 July 2016. Consequently, Auditor could not confirm the accuracy and completeness of inventory amount. 3. There is an unreconciled variance amounting to \$113,993 between the opening FMIS general ledger balance of \$79,641 and the opening balance of the Trust Account Statement of Receipts and payments of \$193,694. The Ministry of Finance adjusted the FMIS general ledger and did not provide appropriate audit evidence to support the adjustments. As a result, Auditor was not able to ascertain the accuracy and completeness of the Main Trust Fund balance. 		
Gender Analysis	No information has been provided on gender in the annual report.		



Guiding Questions

1. The annual report states “The Ministry also worked on reviewing two forestry regulations, the Preservative Treatment Regulation 1992 and the Forest Sawmills Regulation 1968, to ensure that they capture recent developments in the Sector”. Can you inform the Committee on the status of the review taken place and what recent developments do the two regulations capture?
2. Can you update the Committee on the status of “The National Forest Inventory (NFI) Statistics Report”? Has this been published? If yes, what does this report cover?
3. “The REDD+ Safeguard working group reviewed the USP SESA consultancy proposal. The Final SESA consultancy work proposal was received and forwarded to World Bank for contract preparation”. Can you enlighten the Committee on this?
4. Can you advise the Committee about the “Coco-wood Project” that ended in June 2016?
5. The annual report states about the “Research on the Effects of Resin Tapping on Timber Quality - This research aimed to study and compare the timber qualities between untapped and tapped pine. The results from the study will assist industries, resources owners and also the general public that have special interest in Pine Resin Extraction and Pine timber as commercial product”. Can you update the Committee on the outcome of this?
6. There were 3 Qualified Opinions by the OAG stated on page 42 of the annual report. Please advise on the status of these Qualified Opinions?
7. What were some of the challenges faced by the Department and how have these been overcome?

30 August 2021

Disclaimer

This Annual Report Summary was prepared to assist the Standing Committee on Natural Resources in its review of the Department of Forestry January – July 2016 Annual Report. This summary should not be relied on as a substitute for specific advice. Other sources and information should be consulted. Whilst every effort has been made to ensure that the information is accurate, the Parliament of the Republic of Fiji will not accept any liability for any loss or damage which may be incurred by any person acting in reliance upon the information. The Parliament of the Republic of Fiji accepts no responsibility for any references or links to, or the content of, information maintained by third parties. For further information please email: Shobhna Rani on shobna.rani@govnet.gov.fj