



MINISTRY OF FORESTRY

2020 – 2021 ANNUAL REPORT

Parliamentary Paper No. 73 of 2022



MINISTRY OF FORESTRY

ANNUAL REPORT

For Period 01st Aug 2020 – 31st July 2021





REFERRAL LETTER

**Honourable Kalaveti Vodo Ravu
Minister for Fisheries and Forestry
Level 3, Takayawa Building
Toorak
Suva**

Dear Sir,

I am pleased to present to you the Annual Report for the then Ministry of Forestry for the period 1st August 2020 to 31st July 2021, for presentation to Parliament in accordance with the requirements of the Financial Management Act 2004 and the Financial (Amendment) Act 2021.

The report details the Ministry's performance for the period and also includes the audited financial statement. The Auditor-General has issued an unqualified audit opinion for this reporting period effectively making this the second consecutive year for the Ministry to achieve a clean financial management record.

The staff of the Ministry and I intend to align our efforts with the new Government's policies and especially to improve the implementation of funded programmes and activities to benefit our people, economy and the environment through the sustainable management of Fiji's forests.

Yours Sincerely,

A blue ink signature of G. P. N. Baleinabuli, written in a cursive style, with a horizontal line underneath.

G. P. N. Baleinabuli

Permanent Secretary for Fisheries and Forestry

TABLE OF CONTENTS

ACRONYMS.....	5
PERMANENT SECRETARY'S FOREWORD.....	6
CONTRIBUTION OF THE FORESTRY SECTOR TO FIJI'S ECONOMY	
Contribution to Fiji's Real Gross Domestic Product (GDP).....	8
Employment in the Forestry.....	9
Exports.....	10
Imports.....	10
AGENCY OVERVIEW.....	11
CORE BUSINESS.....	13
CORPORATE PROFILE.....	13
2020 – 2021 KEY HIGHLIGHTS.....	17
SUMMARY OF 2020-2021 OPERATIONAL PLAN ACHIEVEMENT	19
REPORT ON PERFORMANCE	19
Strategic Priority 1: Cohesive legislation, regulation, policy, guidelines, and compliance.....	21
Strategic Priority 2: Enhance sustainable forest management (SFM) and frameworks implementation of SFM practices.....	23
Strategic Priority 3: Capacity Building (Ministry & Stakeholders)	44
Strategic Priority 4: Stewardship.....	45
Strategic Priority 5: Forest Financing.....	54
Strategic Priority 6: Organisation Effectiveness.....	54
APPENDICES.....	58

ACRONYMS

CSOs	Civil Society Organisations
EMA	Environment Management Act
FAO	Food Agriculture Organisation
FBOS	Fiji Bureau of Statistics
FCPF	Forest Carbon Partnership Facility
FFHCOP	Fiji Forest Harvesting Code of Practice
FNPF	Fiji National Provident Fund
GDP	Gross Domestic Product
GHG	Greenhouse Gas
GWE	Government Wage Earner
HTMB	Harvest Tree Manually – Basic
IPCC	Intergovernmental Panel on Climate Change
MOF	Ministry of Forestry
MOU	Memorandum of Understanding
MRV	Measuring, Reporting, Verification
NBSAP	National Biodiversity Strategy and Action Plan
NFI	National Forest Inventory
PSP	Permanent Sample Plots
RDF	Reforestation of Degraded Forests
REDD	Reducing Emissions from Deforestation and Forest Degradation
RL	Right License
SDGs	Sustainable Development Goals
SDP	Strategic Development Plan
SEG	Standard Expenditure Group
TPAF	Training and Productivity Authority of Fiji
USFS	United States Forest Service

PERMANENT SECRETARY'S FOREWORD

The 2020-2021 financial year was yet another challenging year for the Ministry of Forestry as it strived to contribute to socio-economic growth and help bring the country back to normalcy after enduring a series of devastating tropical cyclones in the previous year and the crippling impacts of COVID-19. The Ministry's plan for 2020-2021 was aligned with the four broad thematic areas of the Fijian Government:

- i. Economic recovery and business development;
- ii. Access to basic services;
- iii. Protection for the most vulnerable; and
- iv. Food security.

The Ministry also consulted very closely with the forestry sector stakeholders and developed a 3-year economic recovery plan that will later prove to be highly impactful as it improved the facilitation of sustainable socio-economic growth from the forestry sector.

The Ministry received a total budget of \$15.7 million which was an increase of \$0.9 million (6.3%) compared to the 2019-2020 revised budget of \$14.8 million. The Ministry utilised \$13.9 million (88.5%) for the implementation of the Ministry's programmes and projects and achieved 83.0% of its deliverables in the Annual Operational Plan. Some key events and achievements included:

- Development of a 3-year Economic Recovery Plan for the forestry sector with a total revenue target of \$418.7 million and to be implemented from the 2021-2022 financial year up to the 2023-2024 financial year;
- Transition from manual into digital mode for issuing export and import licenses for forest products. The online licensing system for exports/imports was introduced in August 2020 and within five months had helped generate over \$47 Million equivalent to 62% of the total export earnings for the 2020 calendar year of \$75.9M. Licenses were issued within 24 hours compared to the days and weeks of exporters/importers having to run to-and-fro with the manual mode;
- Planting of 5.4 million trees and mangroves as part of the 30 Million Trees in 15 Years (30MT15Y) initiative that was launched in January 2019;
- Assistance to rural communities affected by the series of tropical cyclones, through the production of over 300 Category 4-engineer approved house structures using their matured trees;
- Signing of three Memorandum of Understanding (MOUs) with the Fiji Police Force to help curb illegal logging; with the Fiji Revenue and Customs Services (FRCS) to share data on companies licensed to export or import forest products; and with Fiji Bureau of statistics on the sharing of accurate information for the forestry sector;
- Signing of the Emissions Reduction Program Agreement (ERPA) with the World Bank's Forest Carbon Partnership Facility (FCPF) for Fiji to formally enter into carbon trade;
- Signing of an Agreement with the United Nations Food and Agriculture Organisation (FAO) on the International Climate Initiative (IKI) Forest landscape restoration programme in the Malolo and Naviti districts in the Yasawa Group of Islands;
- Formalisation of a partnership with the United States Forest Service's Climate Fellow Programme. The USFS Climate Fellow Dr. Randy Hamilton commenced work with the Ministry in April 2021 focusing his efforts on supporting Fiji's REDD+ monitoring of the Measurement, Reporting and Verification (MRV) process and on developing a national, multi-purpose forest and land monitoring system;
- Continuous support to the Ministry of Health and Medical Services in the COVID-19 whole-of-Government containment efforts by seconding 60 percent each of the Ministry's personnel and vehicles and the provision of the Forestry Training Center at Colo-i-Suva as an isolation center; and among other things,
- Achieving, for the second consecutive year, an unqualified audit opinion from the Auditor-General.

The commitment of the entire Ministry staff to promote the forestry agenda of sustainable forest management and to help Fijians become more resilient against the backdrop of one of Fiji's and the world's most challenging periods is highly appreciated.



G. P. N. Baleinabuli
Permanent Secretary for Fisheries and Forestry



2020 – 2021 KEY HIGHLIGHTS



OVERVIEW OF THE FORESTRY SECTOR

Forest Cover

Fiji's forest areas cover about 1.1 million hectares (ha) of Fiji's landmass, and this equates to 60% of the land area. Of this 1.1 million ha, natural forests account for 82.0%, softwood plantations account for 7.4%, hardwood plantations account for 6.5%, and mangrove forests account for 4.1%. Trees and forests play a multifunctional role in Fiji, ensuring that the needs and wants of forest dependents are sustained. They are sources of timber, which mainly drive the forest sector economically. They also provide food, shelter, and other sources of livelihood for forest dependents. They also protect the environment and its biodiversity, prevent soil erosion, and enhance air and water quality. Overall, forests contribute to environmental protection and socio-economic growth in Fiji.



Contribution to Fiji's Real Gross Domestic Product (GDP)

Economic growth for an economy is generally measured through its gross domestic product (GDP). In 2020, Fiji's GDP stood at \$8,856.9 million. The forestry and logging industry contributed \$26.6 million (0.3%) to Fiji's real GDP in 2020, which is 7.7% increase when compared to 2019. The forestry and logging industry was one of only three industries that made positive growth in a challenging year when the COVID-19 pandemic affected the nation. However, it is essential to note that forestry work goes beyond raising seedlings and harvesting trees. The forestry sector, in totality, also contributes to the growth of many other industries, such as the Manufacturing industry. The combined forest-related activities within the forestry sector contributed \$153.0 million (1.7%) to the national GDP by the end of 2020. The significant

contribution of \$60.0 million was from the sawmilling and planning of wood activity, followed by the forestry and logging industry, which contributed \$26.6 million. The sawmilling and manufacturing of other wood products listed in Table 1 below are forest-related activities and products classified under the Manufacturing Industry. FBOS follows the Fiji Standard Industrial Classification (FSIC) 2010 in organising these activities, which is aligned with the International Standard Industrial Classification (ISIC) Revision 4.

Table 1: Forestry Sector contribution (2018-2020)

Industry by economic activity	2018r		2019r		2020p	
	FJD [Millions]	% Contribution to Real GDP	FJD [Millions]	% Contribution to Real GDP	FJD [Millions]	% Contribution to Real GDP
Forestry and logging industry	26.1	0.2	24.7	0.2	26.6	0.3
Manufacturing industry						
Sawmilling and planning of wood	68.6	0.6	68.7	0.6	60.0	0.7
Manufacture of products of wood, cork, straw and plaiting material	18.3	0.2	18.4	0.2	22.1	0.2
Manufacture of pulp, paper and paperboard	2.3	0.0	2.4	0.0	2.3	0.0
Manufacture of corrugated paper and paperboard and containers of paper and paperboard	12.9	0.1	11.9	0.1	11.6	0.1
Manufacture of other articles of paper and paperboard	23.9	0.2	21.2	0.2	24.0	0.3
Manufacture of Furniture	6.6	0.1	6.8	0.1	6.4	0.1
Total	158.7	1.4	154.1	1.4	153.0	1.7

Source: Fiji Bureau of Statistics, 2022

Notes: r - revised; p - provisional

Employment in the Forestry Sector

The formal employment number in forest-based operations recorded by FBOS through its Annual Employment Survey stood at 918 in 2020. It's an increase of 6 per cent compared to the 2019 employment number of 865. The employment breakdown according to the main economic activity is highlighted in Table 2 below.

Table 2: 2020 Formal Employment in Forestry

No.	Main Economic Activity	Number of Employees		
		2018	2019	2020
1.	Nursery	14	25	44
2.	Tree cultivation & Conservation	444	397	414
3.	Logging	72	93	99
4.	Log processing & Sawmill	210	197	211
5.	Government ¹	140	153	150
	Total	880	865	918

Source: Fiji Bureau of Statistics, 2022

Note: The last pay week of June is the reference date that rules how FBOS captures a snapshot of the formal sector employment in both the private and public sectors.

¹ Employment number for Government is sourced from the Ministry of Economy.

Exports

In terms of domestic exports and using the Harmonised Commodity Description and Coding System (HS²) classification adopted by FBOS, wood and wood products contributed \$76.6 million in export revenue for 2020. The major export commodity was woodchips which generated \$55.4 million. Domestic exports of wood products accounted for 6.7% of total domestic exports.

Table 3: Exports of Wood Products (2018-2020)

Domestic Exports of Wood Products			
Product	2018	2019p	2020p
	Value FJ\$ Million		
Total Domestic Export	1,175.0	1,167.1	1,146.2
Wood and articles of wood	94.6	59.0	76.6
Of which			
- Wood in chips or particles	78.5	37.6	55.4
- Mahogany	6.9	10.6	9.2

Source: Fiji Bureau of Statistics, 2022

p - provisional

Imports

In terms of imports and using the HS classification adopted by FBOS, wood and wood products contributed \$18.9 million to the import bill for the year 2020.

Table 4: Imports of Wood Products (2018-2020)

Imports of Wood Products			
Product	2018	2019p	2020p
	Value FJ\$ Million		
Total Imports	5,696.7	6,008.5	3,754.3
Wood and articles of wood	28.8	23.5	18.9

Source: Fiji Bureau of Statistics, 2022

p - provisional



² Harmonised Commodity Description and Coding System – an international nomenclature for the classification of products. It enables participating countries to categorise traded goods on a common basis for customs purposes.

Investment Opportunities

Though forest commodities take a bit of time for investors to enjoy their benefits, some profitable investment opportunities lie within the forestry sector.

Import substitution products

Fiji has been importing commodities such as plywood and ply boards due to its high demand in the construction industry in Fiji. Opportunities lie in setting up facilities locally to manufacture these products for local and overseas markets. It will also contribute to local employment opportunities and socio-economic growth.

Non-timber forest products

Investment in non-timber or non-wood forest products also has excellent potential in Fiji. With pressure growing on our natural forests, investing in short-rotation tree crops is a better option as there are greater returns on investment for these forest products.



Beach mahogany (locally known as 'Dilo') – fruits are used for cosmetic purposes



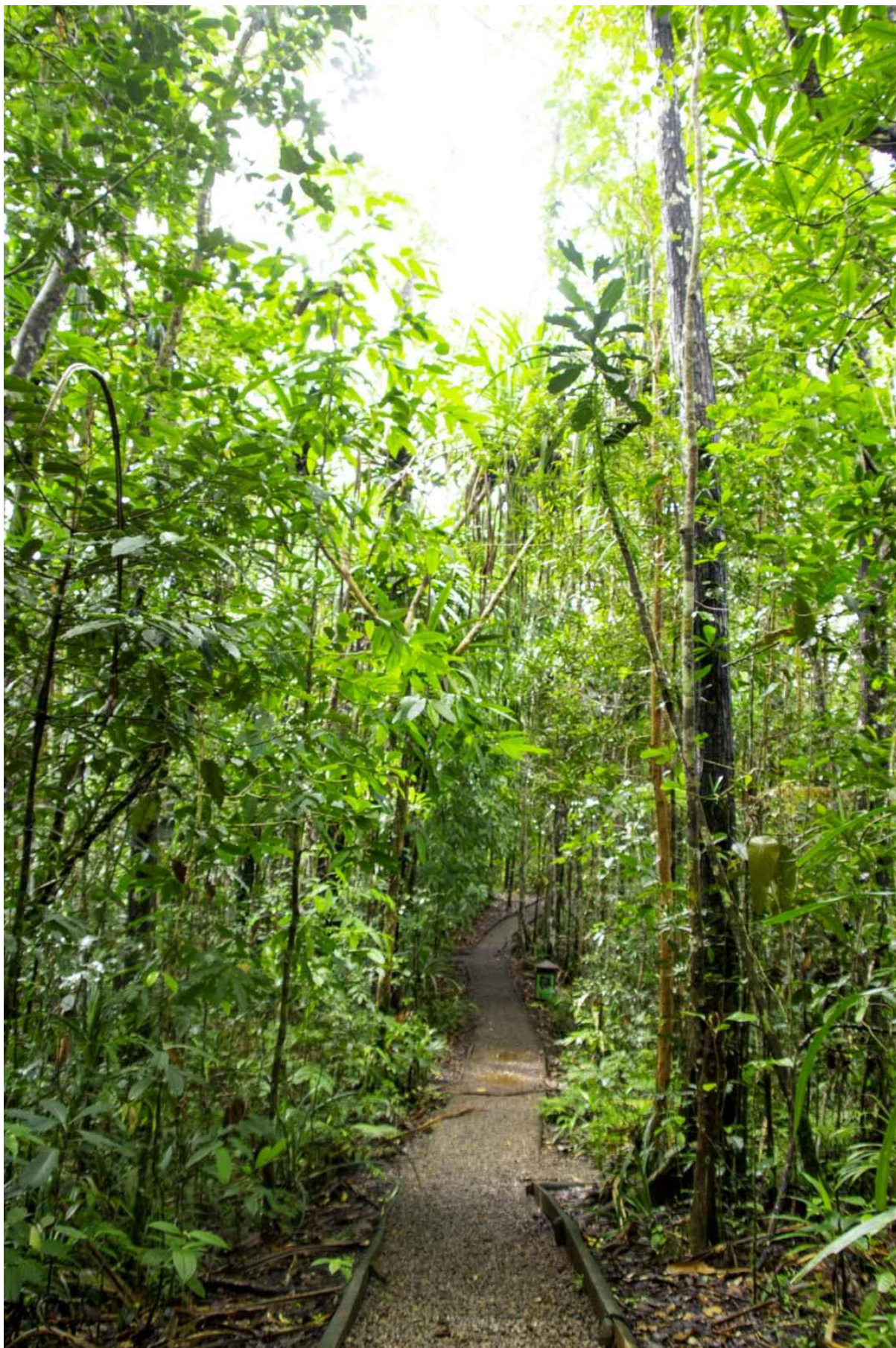
Candlenut (locally known as 'Lauci or Sikeci') - fruits are used for cosmetic purposes



Cocowood or cocoveneer made from senile coconut trees that no longer bear fruits/nuts.



Sandalwood (locally known as 'yasi') which used for many products such as cosmetics, ornaments etc.



AGENCY OVERVIEW

CORE BUSINESS

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

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

CORPORATE PROFILE

VISION



Sustainable Forests, Our Future

MISSION



To be a leader in sustainable forestry

VALUES



Responsible - We will discharge our duties with accountability.

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

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

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

LEGISLATIVE FRAMEWORK

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

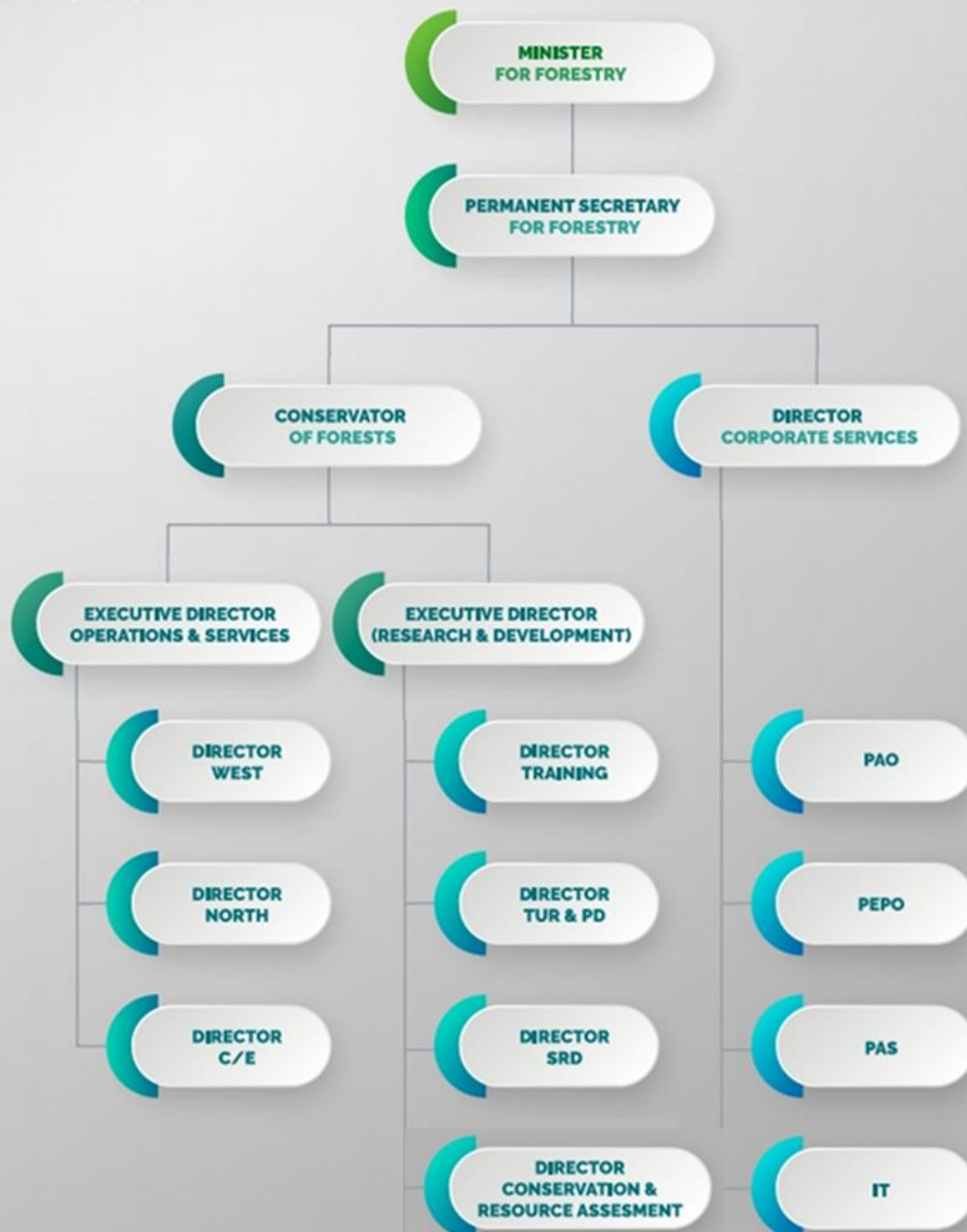
Table 4: Organisational Management

Legislation	Regulations	Policies	Plans	Manuals
<ul style="list-style-type: none"> ➤ Constitution of the Republic of Fiji 2013 ➤ Financial Management Act 2004 ➤ Tax Administration Decree 2009 ➤ Fiji Health & Safety at Work Act 1996 ➤ Civil Service Act 1999 ➤ Act 2 of 2016 – Amendment to PSC Act ➤ Employment Relations Promulgations 2007 & Employment Relations (Amendment) Act 2016 	<ul style="list-style-type: none"> ➤ Civil Service Regulation 1999 ➤ Finance Instructions 2010 ➤ Fiji Procurement Regulations & Amendments 2010 	<ul style="list-style-type: none"> ➤ General Orders 2011 Terms & Conditions of Employment for GWE's 2010 ➤ Ministry's Risk Management Policy 	<ul style="list-style-type: none"> ➤ MOF Strategic Development Plan ➤ MOF Strategic Workforce Plan ➤ MOF Operational Plan ➤ MOF Training Plan ➤ MOF Asset Management Plan 	<ul style="list-style-type: none"> ➤ MOF HR Manual ➤ MOF Finance Manual

Table 5: Forestry Sector Management

Legislation	Regulations	Policies	Plans	Manuals
<ul style="list-style-type: none"> ➤ Forest Act 1992 ➤ National Research Bill ➤ Environment Management Act (EMA) 2005 ➤ Biosecurity Act 2008 ➤ Native Land Trust Act 2012 (amended) ➤ Endangered and Protected Species (Amendment) Act 2021 	<ul style="list-style-type: none"> ➤ Forest Sawmills Regulations 1968 ➤ Preservative Timber Treatment Regulation 1992 ➤ Forest Guard Regulations 1975 ➤ Forest Fire Prevention Regulation 1972 ➤ Environment Management (EIA Process) Regulation 2007 ➤ Environment Management (Waste Disposal & Recycling) Regulation 2007 	<ul style="list-style-type: none"> ➤ Fiji Forests Policy 2007 ➤ REDD+ Policy 2011 ➤ Forest Certification ➤ Fiji Climate Change Policy 2012 ➤ Draft Energy Policy 2013 ➤ Fiji Rural & Land Use Policy 2005 	<ul style="list-style-type: none"> ➤ National Biodiversity Strategy and Action Plan (NBSAP) ➤ Green Growth Framework (GGF) 	<ul style="list-style-type: none"> ➤ Fiji Forest Harvesting Code of Practice (FFHCOP) ➤ Sandalwood Manual ➤ Nursery Manual

ORGANISATION STRUCTURE



OUR FUNCTIONS AND SERVICES

The Ministry of Forestry has the following functional divisions/sections:

Table 6: Functional Divisions

Functional Divisions/Sections	Functions & Services
Silviculture Research & Development	<ul style="list-style-type: none"> ➤ Forest health, bio-security & bio-diversity ➤ Tree species development ➤ Seed & nursery technology ➤ Natural forest management ➤ Research publications
Timber Utilisation Research & Product Development	<ul style="list-style-type: none"> ➤ Research & Investigation ➤ Quality management systems/timber grading ➤ Timber trade ➤ Sawmilling ➤ Preservation ➤ Product research and development
Education & Training (FTC & TITC)	<ul style="list-style-type: none"> ➤ Training (Technical, Academic, SFM, Forest Warden, Bio-diversity Conservation, Protected Area Management) ➤ Skills development ➤ Capacity building ➤ Wood processing
Forest Resource Assessment and Conservation	<ul style="list-style-type: none"> ➤ Monitoring Information System (MIS)/Geographic Information System (GIS) ➤ Resource inventory ➤ Resource assessment ➤ Mapping and surveys ➤ International conventions ➤ Environment management ➤ REDD+ Readiness & Emission Reduction Programme
Forest Parks & Nature Reserves	<ul style="list-style-type: none"> ➤ Establishment, management, maintenance, and enhancement of the use of forest parks and reserves ➤ Forest education and resource conservation promotion ➤ Restoration of ecology and watershed and amenities planting
Forest Harvesting, Monitoring, Control & Surveillance at Divisional Level (N, W and C/E Divisions)	<ul style="list-style-type: none"> ➤ Facilitate sustainable log supply system for the timber industries ➤ Facilitate the development of community-based initiatives for forest-based projects ➤ Provide advisory services and raise awareness ➤ Administer timber processing and inspectoral services ➤ Issue of harvesting licenses
Afforestation, Reforestation and Agroforestry	<ul style="list-style-type: none"> ➤ Provide extension/advisory services & raise awareness ➤ Reforestation & afforestation activities ➤ Promote Agroforestry
Planning, Policy, M&E, Statistics & Executive Support	<ul style="list-style-type: none"> ➤ Policy research & analysis ➤ Economic planning ➤ Annual reporting ➤ Statistics ➤ Trade & investment facilitation ➤ Monitoring & Evaluation (Plans & Projects) ➤ Secretariat services (Cabinet & parliamentary processes, MOU/MOA) ➤ Communications & public relations
Corporate Services Division	<ul style="list-style-type: none"> ➤ Human Resource Management <ul style="list-style-type: none"> ➤ Learning and development ➤ Recruitment and selection ➤ Performance management

Functional Divisions/Sections	Functions & Services
	<ul style="list-style-type: none"> ➤ Conditions of employment & contracts ➤ Occupation, Health and Safety ➤ Finance <ul style="list-style-type: none"> ➤ Performance budgeting and monitoring ➤ Payroll management ➤ Payments and Revenue collection ➤ Reporting and Financial statement ➤ Financial controls ➤ Board of Survey ➤ Asset Management ➤ Buildings and equipment ➤ Fleet ➤ Information Technology and Management <ul style="list-style-type: none"> ➤ IT Infrastructure ➤ Website maintenance ➤ Online application systems ➤ Database ➤ Registry

FORESTRY PROGRAMMES AND PROJECTS

Table 7: Forestry Programmes and Projects

No.	Programme	Activity	Projects within each Programme & Activity [SEG 6 -9]
1	Policy & Admin	<ol style="list-style-type: none"> 1. General Admin & Accounts 2. Economic Policy, Planning & Statistics 	
2	Forestry	<ol style="list-style-type: none"> 1. General Admin 2. Forestry Conservation & Management Services 3. Training & Education 4. Silviculture Research, Resource Assessment & Development 5. Timber Utilisation Research & Product Development 6. Extension & Advisory Services (Reforestation & Afforestation) 	<ul style="list-style-type: none"> ▪ Fiji Pine Trust ▪ Forest Subsidy on Value adding machines ▪ International Tropical Timber Organisation (ITTO) – Rewa Delta ▪ APAFRI Subscription ▪ IUFRO Subscription ▪ Reducing Emissions from Deforestation and Forest Degradation (REDD+) ▪ Upgrade of tree seed centre ▪ Research & Development of Wood and Non-wood Species ▪ Sandalwood development ▪ Training expenses ▪ Upgrade of forestry office & quarters ▪ Plywood Standard ▪ Reforestation of Degraded Forests (RDF) with Indigenous Species & other species

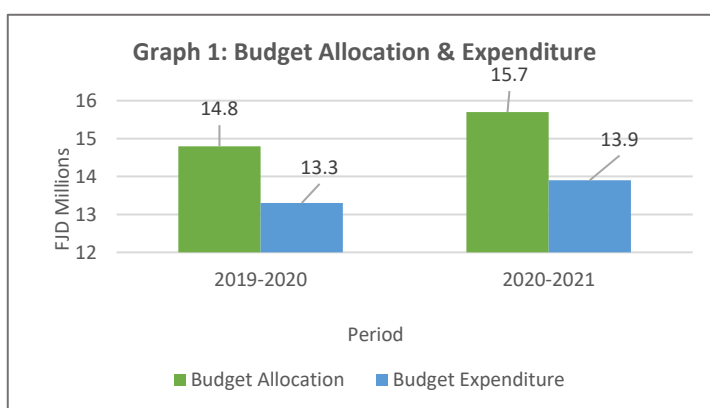
No.	Programme	Activity	Projects within each Programme & Activity [SEG 6 -9]
		7. Monitoring, Control & Surveillance (Harvesting & Logging)	<ul style="list-style-type: none"> Maritime Pine Development (Cicia, Gau, Kadavu) Purchase of equipment - Lakeba Pine Scheme Purchase of harvesting machine Monitoring, Compliance & Surveillance The utilisation of waste wood
		8. Forest Parks, Recreation & Nature Reserves	<ul style="list-style-type: none"> Upgrade of Colo-i-Suva Forest Park

BUDGET ALLOCATION AND EXPENDITURE

Table 8: MOF Budget Allocation

SEG	SEG PARTICULARS	2019-2020 Allocation [FJD 000]	2020-2021 Allocation [FJD 000]
1	Established Staff	4,182.4	4,048.6
2	Government Wage Earners	1,760.2	1,544.6
3	Travel and Communications	749.0	416.8
4	Maintenance and Operations	1,163.0	1,329.3
5	Purchase of Goods and Services	1,053.2	1,065.1
6	Operating Grants and Transfers	863.9	871.0
7	Special Expenditures	1,806.7	804.7
	TOTAL OPERATING	11,578.4	10,080.1
8	Capital Construction	2,179.1	3,638.5
9	Capital Purchase	507.4	1,259.5
	TOTAL CAPITAL	2,686.6	4,898.1
13	Value Added Tax	537.0	716.0
	TOTAL EXPENDITURE	14,801.9	15,694.2

A total of \$15.7 million was allocated to the Ministry, of which \$13.9 million (88.5%) was utilised to implement the Ministry's programmes and projects, leaving a balance of \$1.8 million at the end of July 2021.





REPORT ON PERFORMANCE

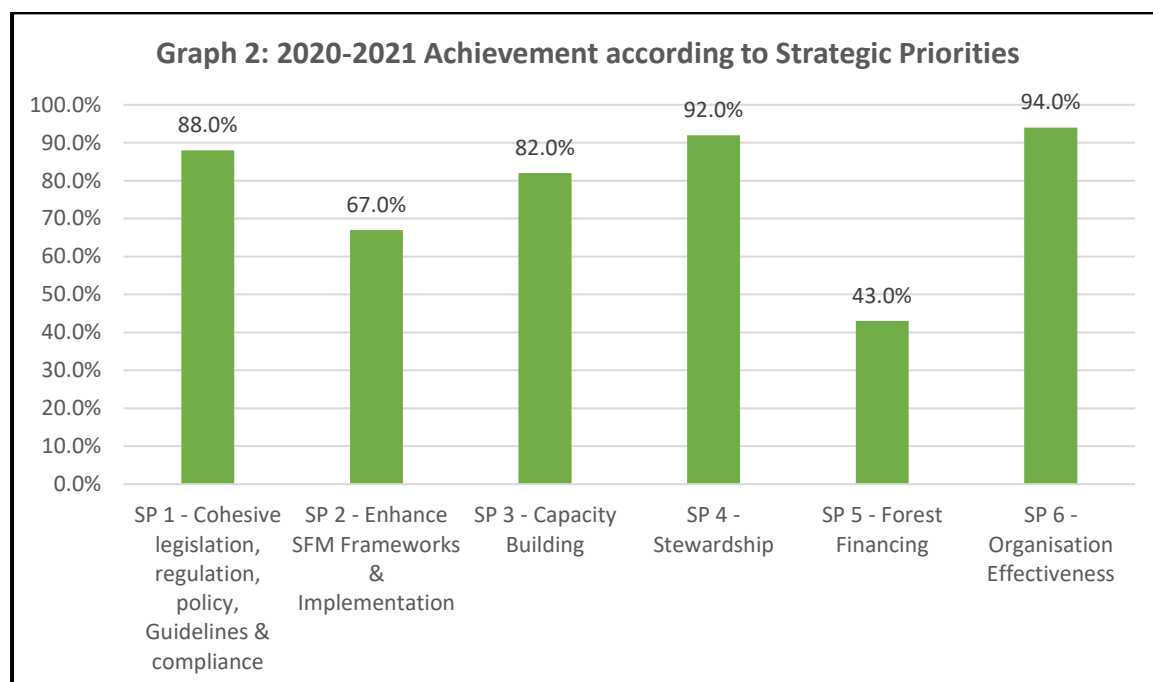
The Ministry Strategic Development Plan (SDP) highlights the 4 strategic goals and 6 strategic priorities in the table below. Its SDP aligns with the National Development Plan (NDP) requirements and global commitments. Ministry performance is detailed under each Strategic Priority.

Table 9: MOF Strategic Goals and Priorities

STRATEGIC GOALS (SG)	
SG 1	Establish sustainable life cycle management of forest resources in Fiji
SG 2	Improve the socio-economic impact of forests
SG 3	Contribute positively to the global environment
SG 4	Substantially improve service delivery
STRATEGIC PRIORITIES (SP)	
SP 1	Cohesive legislation, regulation, policy, guidelines and compliance SP1 is geared towards articulating a consistent, long-term approach concerning legislation, regulation, policy, and compliance mechanisms associated with forests and forestry.
SP 2	Enhance sustainable forest management frameworks and implementation of Sustainable Forest Management (SFM) SP2 is about establishing precise, sustainable implementation mechanisms for forest strategies to be effective over a long period.
SP 3	Capacity building (Ministry & Stakeholders) SP3 focuses on bringing theory into practice. The Ministry will lead the way in analysing the capacity and capabilities necessary to achieve the sector's desired outcomes; engage its personnel, infrastructure, partners and communities in developing research and knowledge necessary to achieve the best outcomes for now and the distant future.
SP 4	Stewardship SP 4 is about commitment to stewardship of national resources and the moral obligation towards global environmental responsibilities and duties.
SP 5	Forest financing SP5 is all about looking at, developing, improving and implementing financial strategies and mechanisms to support the sustainable management of forests.
SP 6	Organisation effectiveness Looks at the Ministry's capacity and capability to produce what goals are set. SP6 focuses on the Ministry itself. It seems efficient in terms of personnel and processes and includes information management. It ensures that the Ministry is positioned to attain what it has set out to achieve within the context of people, information and infrastructure.

SUMMARY OF 2020-2021 OPERATIONAL PLAN ACHIEVEMENT

The Ministry achieved 83.0% in implementing the 2020-2021 Operational Plan set out at the beginning of the financial year. The detail of achievements according to the six strategic priorities is highlighted in graph 2.



Strategic Priority 1: Cohesive legislation, regulation, policy, guidelines and compliance

Ministerial support and policy advice

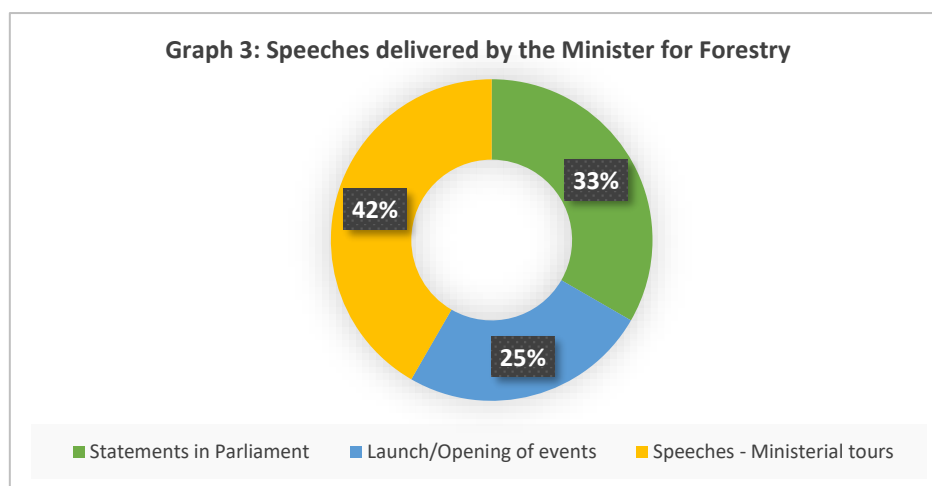
Cabinet Submission

Four Cabinet Submissions were made on the following:

- Climate Fellow Programme between the Fijian Government of the United States of America;
- International Climate Initiative 2017 - The Paris Agreement in Action: Upscaling to Achieve Nationally Determined Contributions;
- Study Visit Costa Rica on Payment of Ecosystem Services;
- Forest Carbon Partnership Facility Twentieth Meeting of the Carbon Fund (CF 20) Washington DC;

Ministerial statements/speeches

Twelve Ministerial statements/speeches were developed and delivered in Parliament and at various events attended by the Minister for Forestry.



Development & review of legislation, regulations, policies & plans

Table 10: Status of new and reviewed legislations, regulations, policies

Output	Status of achievement
1. Finalisation of Forest Bill and relevant regulations	The Ministry continued to internally review the Forest Act 1992 with all staff from Divisions. Once the amendment to the Act is endorsed, applicable laws already drafted and reviewed will also be finalised. These regulations include the Sawmill Regulation, the Preservative Timber Treatment Regulation, and the Forest harvesting regulation.
2. Sandalwood Strategy & Regulation	The Ministry worked on developing a draft in collaboration with stakeholders.
3. Planted Forest Policy	The draft policy developed by the Ministry with the Food Agriculture Organisation (FAO) has undergone internal reviews and amendments. However, not much progress has been made this financial year.
4. Rural Forest Fire Strategy	A draft strategy was developed with the assistance of the Pacific Community (SPC) and relevant stakeholders such as the Ministry of Agriculture. The draft information paper for Cabinet was compiled. Unfortunately, the Project was funded by SPC and the funding program had lapsed, therefore SPC and MOF are seeking extra funds to conduct wider community consultations before Cabinet is informed. However, the team was advised to conduct more community awareness.
6. National Plywood Standard	The national plywood standard was developed and submitted to the Commerce department of the Ministry of Commerce, Trade, Tourism and Transport (MCTTT). The main objective is to address the increase in the importation of substandard material by enforcing the standard as a requirement for all importation of Plywood into the country.
7. National Afforestation & Reforestation Guideline	A draft guideline was developed in partnership with GIZ and collaboration with key stakeholders.
8. Endangered and Protected Species (Amendment of Schedules) Regulations 2021	The Ministry contributed to the review of this regulation by undertaking Non Detrimental Findings (NDF) on 4 species, namely, <i>Agathis vitiensis</i> (commonly known as <i>Dakua Makadre</i>), <i>Decusscicarpus vitiensis</i> (widely known as <i>Dakua Salusalu</i>), <i>Dacrydium nidulum</i> (commonly known as <i>Yaka</i>), <i>Santalum Yasi</i> (widely known as <i>yasi</i>). The result of this work allowed the movement of some tree species from Schedule 1 to Schedule 2 of the EPS

Output	Status of achievement
	Regulation so that they could be traded. On 22nd February, a legal notice was published whereby Schedule 1 to the Act was amended in Part 7 by deleting the following; <i>Agathis vitiensis</i> (commonly known as Dakua Makadre), <i>Decusscicarpus vitiensis</i> (widely known as Dakua Salusalu), <i>Dacrydium nidulum</i> (commonly known as Yaka) and inserted to Schedule 2 to the Act.
9. Climate Change Bill	The Ministry was part of the consultation on the draft Climate Change Bill and provided its contribution as this Bill is relevant to the work of the Ministry

Strategic Priority 2: Enhance sustainable forest management (SFM) frameworks and implementation of SFM practices

Forest Resource Assessment & Conservation

Within the Forest Resource Assessment and Conservation (FRAC), there are two divisions: the Forest Resource Assessment & Monitoring (FRAM) Unit and the Forest Reserves and Parks unit. FRAM is responsible for managing the forest information system and databanks, managing natural forests through permanent sample plots and administering mapping and surveys of forest boundaries and forest functions and services. It is also responsible for the overall conservation and management of all forest-related activities. The reserves and parks unit looks after the direction of the Colo-i-Suva forest park, including other forest parks and reserves in Fiji.

Forest Cover and Forest Change Analysis

Forest change detection for 2020 was carried out using the Commonwealth Scientific and Industrial Research Organisation (CSIRO) methodology of semi-automatic classification. The team downloaded, pre-processed, classified, mosaiced and post-processed Landsat 8 imagery of three islands (Viti Levu, Vanua Levu and Taveuni). Results were made available later in the year, refined and made ready for accuracy assessment. This work was done in collaboration with United States Forest Service (USFS) Climate Fellow Dr. Randy Hamilton.

Table 11: Fiji's Forest Cover by forest type

Forest Type	Total Area	Percent
Natural forests	943,135.0	82.0%
Softwood forest plantation	85,275.5	7.4%
Hardwood forest plantation	75,519.5	6.5%
Mangrove forests	47,246.3	4.1%
Total	1,151,176.3	100.0%

Drones

The Ministry used drones for measuring, monitoring, reporting, verification, and decision-making throughout the year. Notable work done using drones includes monitoring, reporting and verifying the Taveuni Forest Reserve, particularly its boundary. Drones were also used for post-disaster support and damage assessment after Cyclone Yasa hit Vanua Levu in late 2020. This financial year, the Ministry took possession of the most robust drone purchased by the

Ministry, the DJI Matrice 300. The drone was tested for flights, and the officers of the Ministry were taught its operations. The drone will carry out robust operations for monitoring, reporting and verifying forest resources.



Figure 1: The DJI Matrice 300 drone with the



Figure 2: Ministry staff being trained on the DJI 300



Figure 3: Matrice 300 being used to monitor the Colo-i-Suva forest

GIS & Mapping

Using ArcGIS, the Ministry continued updating information as and when received from various sources to project visuals and web maps in 2D and 3D. The senior management team's web maps facilitate informed decision-making and are updated with actual time frequency.

The planted area dashboard was updated as soon as the information was received and verified from the RDF unit.

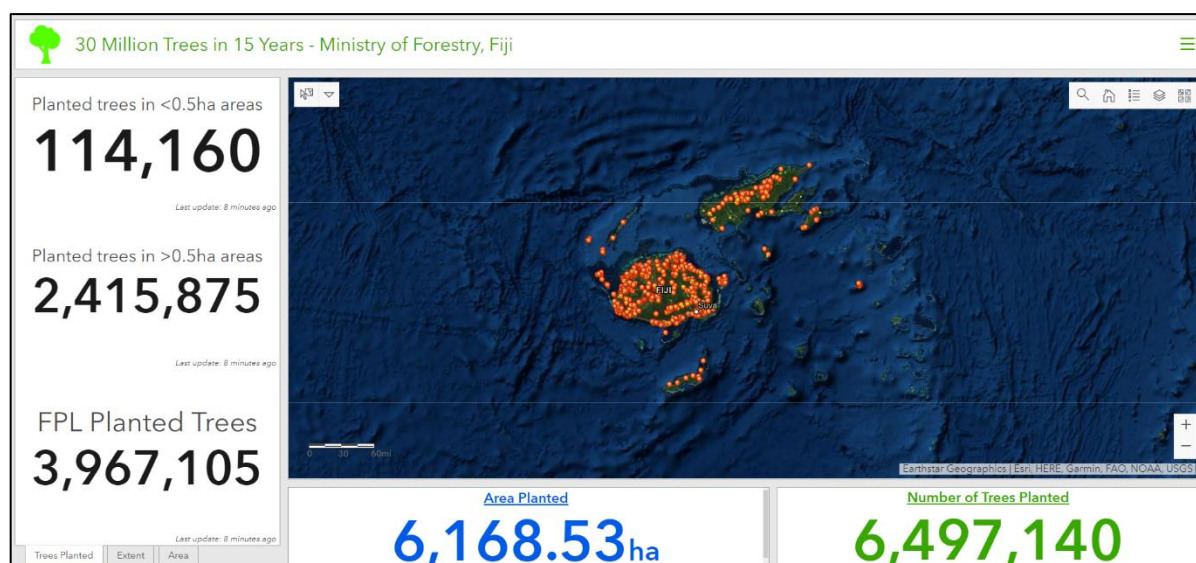


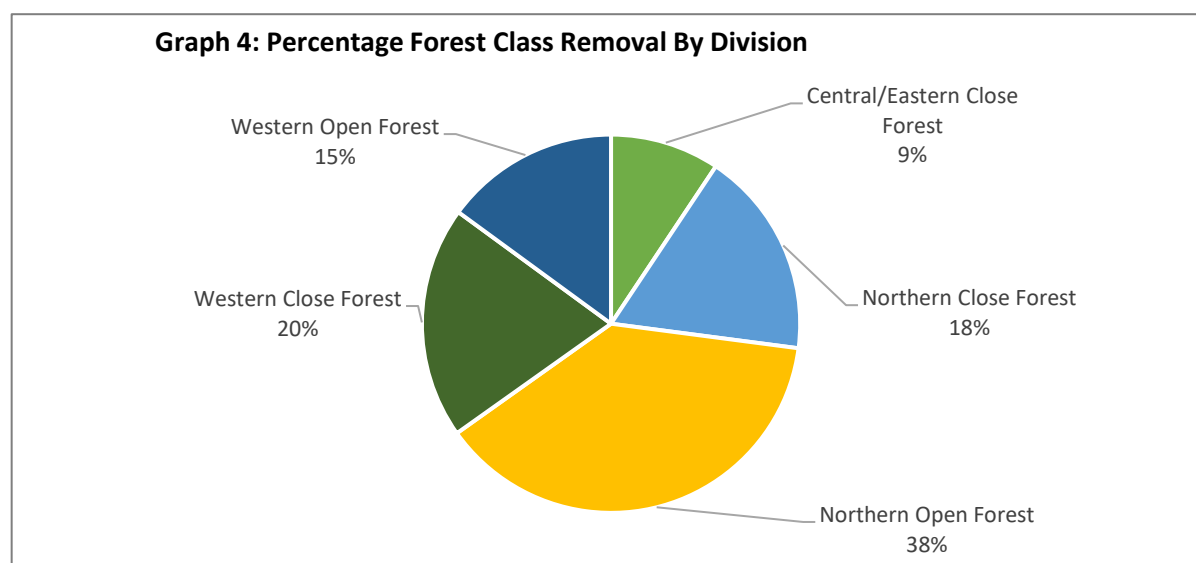
Figure 4: A sample screenshot of the Planted Area Dashboard as at 20/08/2021

Harvested Area Report (HAR)

A total of 1,241.75 hectares was reported as harvested for forest produce. Submission of harvested area reports from the operations divisions is critical as this is used for forest reference level reporting. The table below shows the harvested areas by Divisions for this financial year.

Table 12: Harvested Areas per Divisions

Division	Total Area	Percent
Central/Eastern	116.15	9.4%
Northern	693.09	55.8%
Western	432.51	34.8%
Total Area Harvested	1,241.75	100.0%



Inventory & Verification

The following forest inventories were conducted this financial year.

Table 13: Inventory conducted in 2020-2021FY

Quarter	Date	Activities	Status
1	01/08/20 14/08/20	- Continue with Waidina Catchment African Tulip Inventory	Completed: <ul style="list-style-type: none"> • Data collection • Trip Reports compiled • Data input completed • Report Submitted to Director FRAC
	31/08/20 04/09/20	- Hong Tiy Inventory Pacific Harbour Forest Resource Assessment.	
	13/10/20	EFL Compensation Nairukuruku village, Naitasiri	
2	11/11/20	EFL Compensation Mat. Verata, Nasalia village, Naitasiri	
	21/12/20	EFL Compensation Mat. Colata, Nayavu village, Tailevu	
3	Feb-April 2021	NFI Inventory Team 1 Total plots: 119	Completed: <ul style="list-style-type: none"> • Data collection • Trip Reports compiled. • Data input completed • Report submitted to REDD+

National Greenhouse Gas (GHG) Inventory

The national Climate Change Bill recognises and emphasises the need to ensure Measuring, Reporting and Verifying GHG emissions of all IPCC³ sectors are conducted to meet Fiji's reporting obligations under UNFCCC. To undertake this work, the Ministry of Forestry seconded a Forestry Officer (GIS) to the Ministry of Economy for three (3) months, from 05th October 2020 to 04th January 2021.

Forest Parks and Reserves

Forest Reserves and Nature Reserves

The nature and forest reserves boundary maintenance is one of two significant outputs for the Parks and Reserves unit in ensuring clear demarcation of reserve boundaries where there are lease arrangements with the Government. It includes marking all forest and nature reserve boundaries within the listed categories.

³ IPCC - Intergovernmental Panel on Climate Change (IPCC)

Table 14: Forest Reserve Listing

No.	NAME	PROVINCE	YEAR ESTABLISHED	AREA (ha)
1	Yarawa	Serua	1962	161.9
2	Suva/ Namuka Harbour	Rewa	1913/1955	19
3	Naboro	Rewa	1969	30.4
4	Savura	Naitasiri	1963	369.5
5	Coloisuva	Naitasiri	1955	77.3
6	Maranisaqa & Wainiveiota	Naitasiri	1955	67.2
7	Qoya	Naitasiri	1955/1959	67.2
8	Vago	Naitasiri	1959	24.7
9	Draunibota	Naitasiri	1959	1.72
10	Buretolu	Ba	1926	1,197.9
11	Nadarivatu	Ba	1926	7400.7
12	Saru Creek	Ba	1973	3.2
13	Lololo	Ba	1968	8.3
14	Wabu	Ba	1965	1547
15	Korotari	Cakaudrove	1964	1,086.6
16	Taveuni	Cakaudrove	1961	1,129.1
TOTAL				13,191.72

Table 15: Nature Reserves Listing

No.	LOCATION/ NAME	PROVINCE	YEAR ESTABLISHED	AREA (Ha)
1	Labiko	Rewa	1959	2.2
2	Vuo Island	"	1960	1.2
3	Nadarivatu	Ba	1956	93.1
4	Tomaniivi	"	1958	1,323.4
5	Naqaranibuluti	"	1958	279.2
6	Ravilevu	Cakaudrove	1959	4,018.7
7	Kiobo	Kadavu		14.28
8	Vunimoli	Cakaudrove	1968	20.2
TOTAL				5,752.28

For this financial year, three reserves, namely Ravilevu, Taveuni and Colo-i-were attended to due to encroachment complaints. Drones were also used to assess these reserves and ascertain the extent of encroachment. A series of consultations and awareness was carried out for Land Owning Units that were practising unsustainable farming practices and encroaching into reserve areas.



Figure 5: Fence erected to demarcate reserve boundaries and prevent further encroachment by farmers

Colo-i-Suva Forest Park

Home to 30 bird species, of which 17 are endemic, the Colo-i-Suva forest park is located within the Colo-i-Suva forest reserve owned by three *mataqali* lands of Kalabu village.

This financial year, a total of 24,807 visitors visited the Park, of which 24,789 were locals, and 18 were from overseas, generating a total income of \$22,264.50. The number of visitors declined by 30% compared to the previous financial year due to the impacts of the COVID-19 pandemic.

Table 16: Revenue Collected from Visitor Arrival in the period 2020 – 2021

Year	Month	Local Adult	Local Children	Overseas Adult	Overseas Children	Total Revenue
2020	Aug	3,534	237	0	0	\$3,652.50
	Sep	1,669	174	2	0	\$1,766.00
	Oct	1,108	575	7	0	\$1,430.50
	Nov	2,982	2,426	4	5	\$4,220.00
	Dec	3,534	473	0	0	\$3,770.50
2021	Jan	4,598	848	0	0	\$5,022.00
	Feb	Parks Closed - TC Ana				0
	Mar	643	159	0	0	\$722.50
	Apr	1,532	297	0	0	\$1,680.50
	May	Parks Closed - COVID-19 Pandemic				0
	Jun					0
	July					0
	Total	19,600	5,189	13	5	\$22,264.50

Upgrading of CIS forest park

The following activities were carried out under the upgrading Project:

- Rock lining for the second upper pool;
- Installation of drop-down blinds at the Kubuloa Bure (upper pool car park bure);
- Installation of solar-powered security light at the upper pool car park;
- Installation of solar lighting and inverter system at the Kubuloa Bure and Ablution Block;
- Planting of vetiver grass for stabilisation of slope; and Construction of boardwalk.

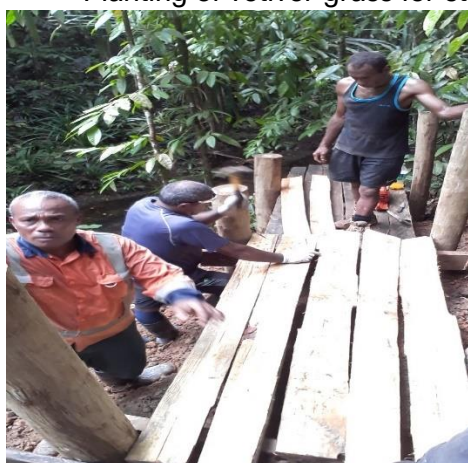


Figure 6: Construction of boardwalk



Figure 7: Installation of blinds for Kubuloa Bure

Law Enforcement – Licensing, Monitoring & Compliance

Right licenses issued

74 Right Licenses (RL) were issued during this financial year, as tabulated below.

Table 17: Right Licenses issued by Divisions

Divisions	No. of RL issued
Northern	25
Central/Eastern	2
Western	47
Total	74

Harvesting Operations

A total log volume of 760,817.0m³ was produced this financial year, an increase of 309,553m³ (68.6%) compared to the previous financial year.

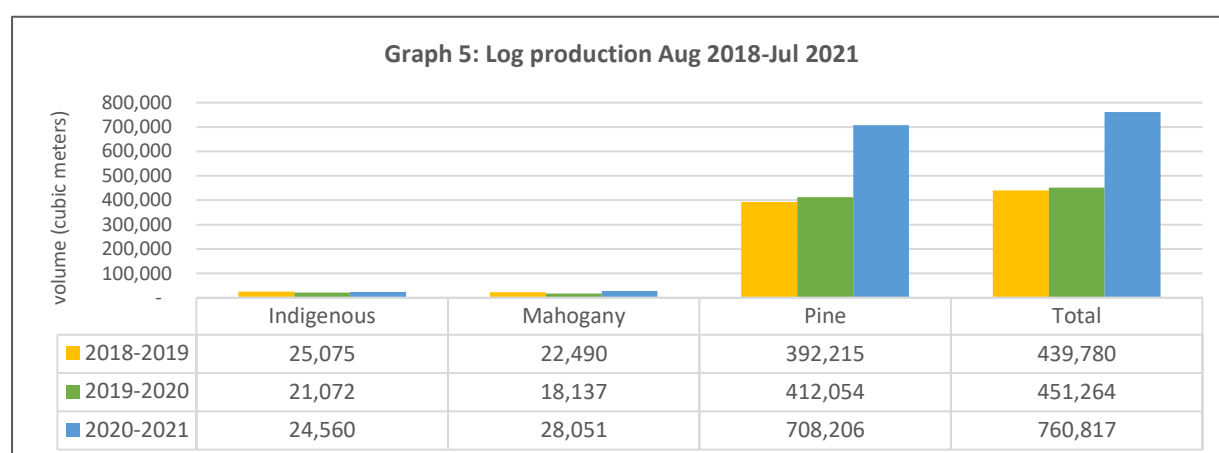
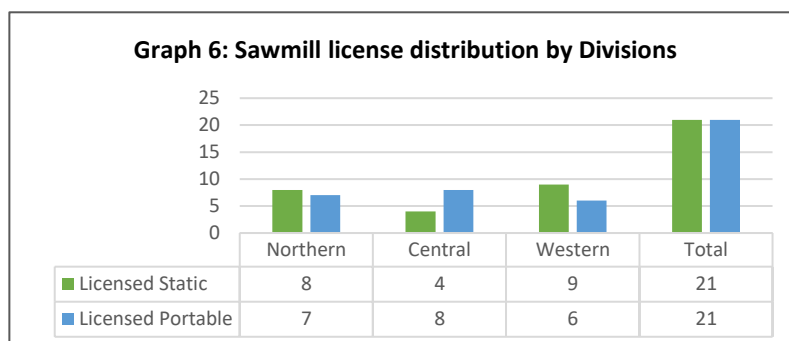


Figure 8: Harvesting operation in the Northern Divisions

Sawmill Operations

A total of 42 licensed sawmills were operating during the year, comprising 21 static and 21 portable sawmills. The Northern Division was issued with 15 licenses, Central Division with 12 licenses and Western Division with 14 licenses.

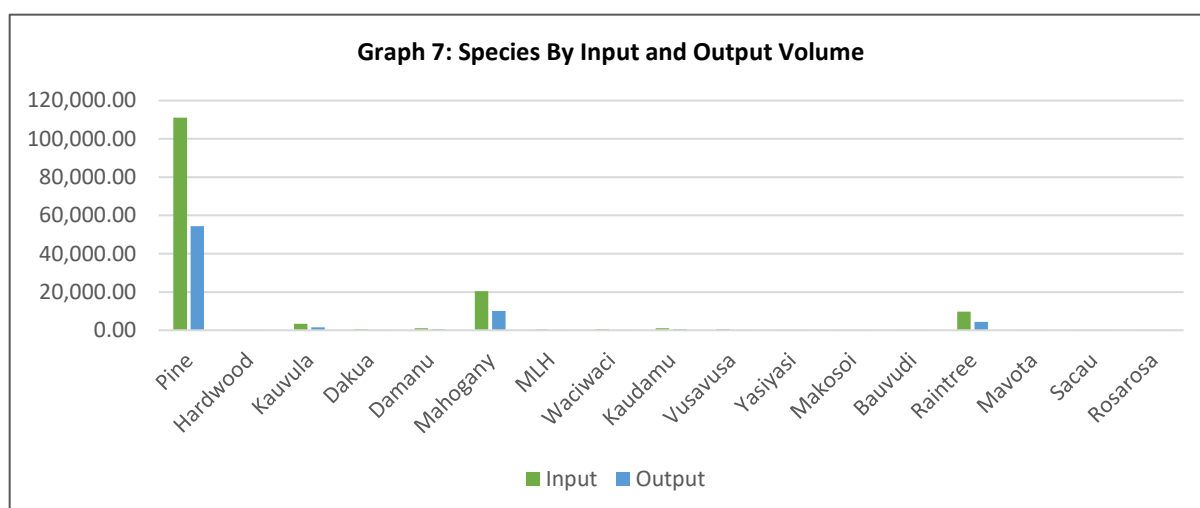


These sawmills processed a total log volume of 148,866.85m³, producing 72,722.09m³ of sawn timber, meaning an average sawn timber recovery of 49%. Table 18 indicates that the Western

Table 18: Sawmill production by Division

DIVISION	SAWMILL INPUT	SAWMILL OUTPUT	RECOVERY
Western	82,631.95	38,192.95	46%
Northern	50,437.41	26,633.52	53%
Central/Eastern	15,797.49	7,895.62	50%
Total	148,866.85	72,722.09	49%

Division recorded the highest sawmill production while the Northern Division recorded the highest recovery of 53%. 17 species were harvested and processed (Refer to graph 7). Pine was the most utilised species, which comprised 75% of the total log input, followed by mahogany and raintree, comprising 14% and 7%, respectively.



Veneer mill Production

A total of 13,717.225m³ of logs were processed during the financial year, producing a total veneer volume of 7,653.647m³ and achieving an average recovery of 56%

Table 19: Veneer mill production by the manufacturer

MANUFACTURER	VENEERMILL INPUT (m ³)	VENEERMILL OUTPUT (m ³)	AVERAGE RECOVERY
Valebasoga	7,917.225	4,057.647	51%
Long Investment	5,800.000	3,596.000	62%
Total	13,717.225 m³	7,653.647 m³	56%

(Table 19). There are only two manufacturers, Valebasoga Tropikboards and Long Investment, based in Vanua Levu. The top five species processed into veneer were; *kaudamu* (*Myristica* spp.), pine (*Pinus caribaea*), *vusavusa* (*Gonystylus punctatus*), mahogany (*Swietenia macrophylla*) and *kauvula* (*Endospermum macrophyllum*) with a collective volume of 9,125.263 m³, which comprised 66% of the total volume that was processed. Mahogany (*Swietenia macrophylla*) and pine (*Pinus caribaea*), the two major plantation species, collectively contributed a volume of 3,957.876m³, comprising 29% of the total volume processed.

Post & Pole Production

A total of 3,934.920m³ of pine (*Pinus caribaea*) Roundwood were processed during the financial year producing a total volume of 3,085.330m³ of posts and poles with an average recovery of 78% (Table 20). Long investment produced 34% of the total volume produced, followed by Valebasoga and Tropik Woods at 26% and 17%, respectively.

Table 20: Post & pole production by the manufacturer

MANUFACTURER	LOG INPUT	OUTPUT	AVERAGE RECOVERY
Long Investment	1,540.000	1,046.000	68%
Tropik Woods	940.920	517.870	79%
Valebasoga	909.000	791.000	87%
Green Gold	545.000	505.000	93%
Total	3,934.920 m³	3,085.330 m³	78%

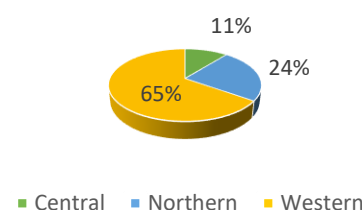
Treatment Plant Operations

A total of 17 timber treatment plants out of the 28 that exist in Fiji were licensed during the year. The total treated volume for the year was 39,968.254m³ of which 25,944.531m³ (65%) were treated in the Western Division mainly due to the demand for pine in the domestic markets as well as the opening up of new exporting destinations within the Pacific region; 10,135.166m³(24%) were treated in the Northern Division and the Central Division recording the least volume at 3,888.557m³(11%) due to difficulties faced by companies with Native License.

Table 20: Treatment plants by each Division

Division	Total Treatment Plant	Licensed	Unlicensed	Non-Operational
Northern	7	5	2	0
Western	9	7	0	2
Central Eastern	12	5	6	1
Total	28	17	8	3

Graph 8: Total Treated Volume by Division



Quality Control

Quality control was carried out through the analyses of charge sheets and timber samples collected from all the treatment plants every month. Charge sheets were validated, and the results were recorded. Timber samples were analysed at the laboratory in Nasinu on a “user-pay” basis, and reports were sent to plant operators confirming the results of the analyses. The total number of treated timber samples analysed during the year was 1,586, with 1,497 samples passing the analysis and penetration tests, an overall pass rate of 94%. Almost 70% of the samples analysed were H3 treated, indicating that most treatment plants treated timber for hazard level 3 applications. Tables 21 and 22 provide further details on the samples received and the revenue generated.

Table 21: Timber samples collected and revenue generated

Quarter	Total Revenue
Quarter 1	\$4,931.50
Quarter 2	\$6,431.05
Quarter 3	\$2,969.90
Quarter 4	\$7,082.96
TOTAL	\$22,930.66

Table 22: Timber samples analysed and results

Hazard Level	Total No. of Sample	No. Passed	No. Failed	% Passed	% Failed
H3	1,069	1,003	66	94%	6%
H4	204	192	12	94%	6%
H5	313	302	11	96%	4%
Total	1,586	1,497	89	94%	6%

Monitoring, Compliance, Surveillance (MCS)

Monitoring of forest harvesting operations (MCS Project)

With an annual budget of \$80,000, the main objective of the MCS project is to ensure that all commercial forest harvesting operations are in compliance with Fiji's Forest Harvesting Code of Practice (FFHCOP) which enables the sustainable utilisation and management of Fiji's forests. Evaluations are conducted for field operations and on harvesting machines' conditions and standards. A few trainings were also conducted for field officers. The overall compliance rate for this financial year stood at 86.2%

Table 23: MCS Project Activities

No.	Activities	Remarks
1.	Timber Production Workshop	It is conducted to discuss the results from the national monitoring and improve on areas identified by the MCS team.
2.	FFHCOP 2013 Refresher training	This training focused on the officers responsible for harvesting operations within their various beat stations.
3.	Standard Operating Procedure (SOP) Training	This training was targeted to assist officers in carrying out their harvesting duties with due diligence.
4.	Timber Production Work Manual	This manual was targeted to provide fundamental information to uplift the competency of the TP staff and improve the overall core services offered by the Ministry of Forestry.
5.	Fiji Forest Act 1992 training	The Fiji Forest Act 1992 is the primary legislation governing the Ministry's licensing conditions. This training was targeted to enable officers to work within the ambit of the law of the forest.

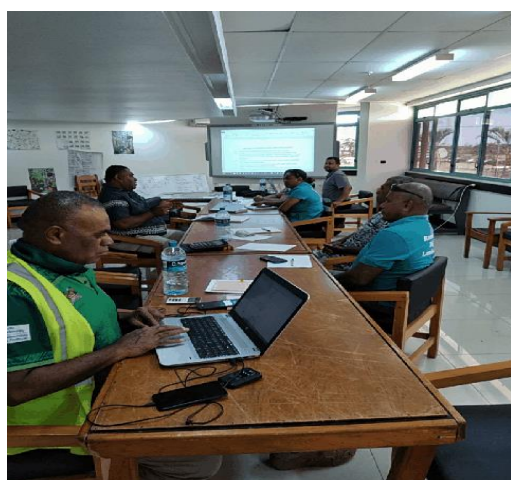


Figure 9: Refresher training conducted in the North by MCS Project officer and Executive Director Operations

Sawmill Monitoring

The purpose of the monitoring was to ensure best practice and compliance with the conditions of a sawmill license and the Forest (sawmill) Regulations 1968. An inspection checklist was designed to monitor the sawmill performances to achieve efficiency and effectiveness of sawmill operations and better utilisation of resources. The monitoring results of the monitoring log yard, housekeeping, machine standard and conditions, health and safety of workers (PPE), and validation of log input and sawn output data were recorded in the monitoring forms. The COVID-19 pandemic severely impacted the monitoring work as travel restrictions were imposed.

Below are the average monitoring result from the three divisions during the financial year.

Table 24: Average score by each Division

	Division	Log Yard	PPE	Machine Output	Timber Assessment	Total Score
1	Western	67% (3% - 100%)	73% (30% - 100%)	76% (25% - 100%)	73% (10% - 100%)	72%
2.	Central	60% (17% - 100%)	56% (17% - 100%)	75% (56% - 100%)	70% (37% - 100%)	65%
3.	Northern	68% (17% - 100%)	75% (8% - 100%)	78% (19% - 100%)	71% (50% - 100%)	73%



Reforestation and Afforestation

30MT15Y Initiative

As part of the 30MT15Y Initiative, the Ministry carried out this national tree planting with the support of relevant stakeholders and the general public. In this financial year, a total of 5,473,383 seedlings were planted. The breakdown of species planted by Divisions is highlighted in the table below.

Table 25: Tree planting by Divisions

Species Categories	Central/ Eastern	Northern	Western	Total
Coastal	210,655	3,001	36,616	250,272
Exotic	38	0	530	568
Fruit Trees	19,448	21,328	42,282	83,058
Indigenous	20,450	25,265	48,405	94,120
Mahogany	97,461	20,719	121,617	239,797
NTFP	16,455	1,213	26,419	44,087
Pine	11,640	177,817	4,218,293	4,407,750
Sandalwood	5,980	6,518	39,010	51,508
Teak	3,722	2,676	36,582	42,980
Fuel wood	1,549	254,265	3,429	259,243
Total	387,398	512,802	4,573,183	5,473,383



Figure 10: PS Forestry, Mr. Baleinabuli planting a seedling with a student in Levuka, Ovalau to commemorate the 50th anniversary of Fiji's independence.

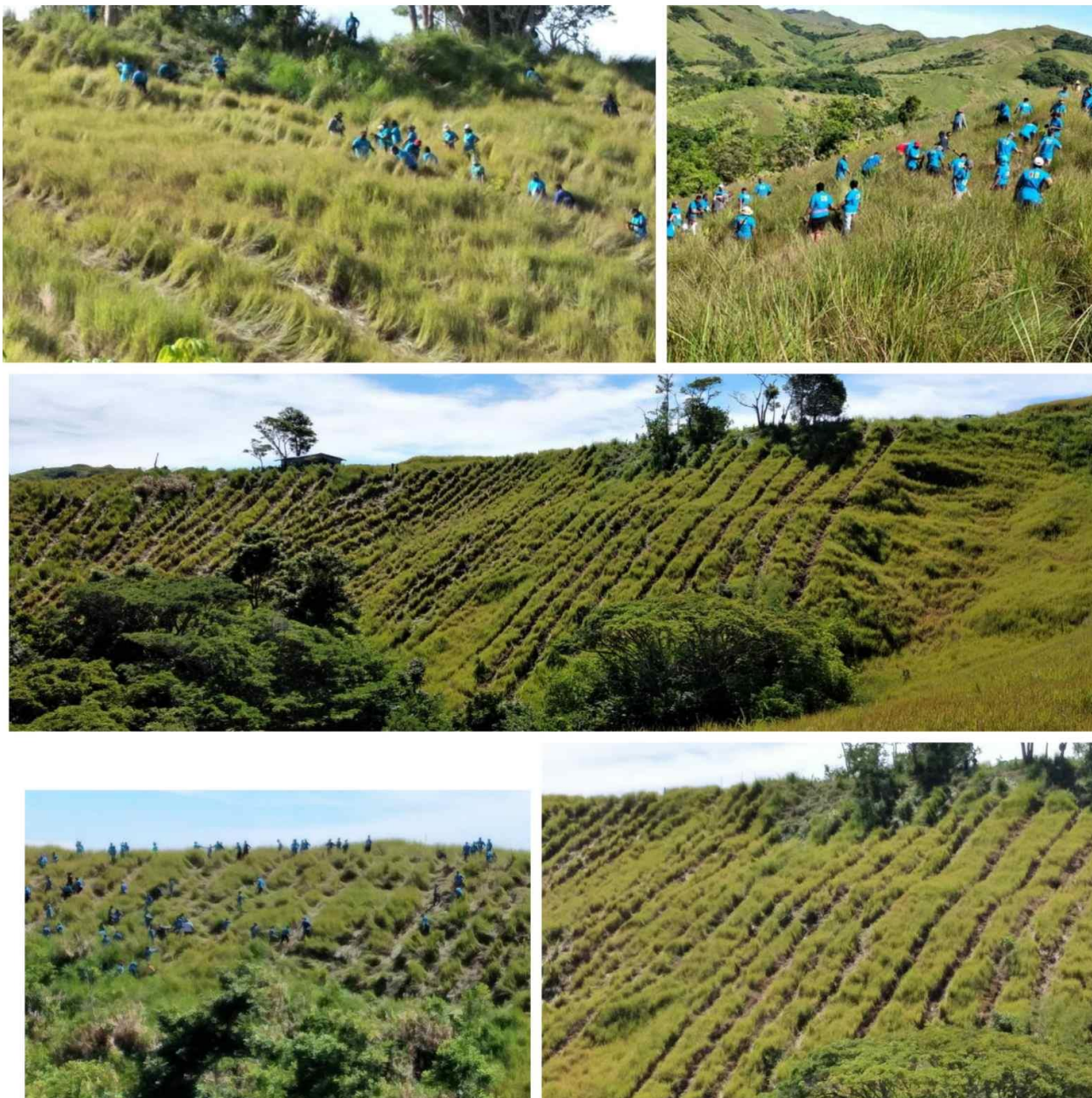


Figure 11: Pine planting by the Ministry officials and staff of the TLTB in the Western Division.

Research and Development - Silviculture Research

Seed Collection, Processing & Sowing for Seedling Production

The targeted seed production volume was not achieved as most tree seed stands were destroyed during TC Yasa and TC Ana. In addition, movement restrictions were in place due to the COVID-19 pandemic, which hindered the seed collection programme, and the majority of the research staff had been involved in the COVID-19 operation with the Ministry of Health & Medical Services. Highlighted in the table below is the volume of collected and processed seeds.

Table 26: Seeds collected and processed

A seed collection manual was developed in collaboration with FAO and SPC. The draft version of the manual was submitted to C change for review and additional work on its graphical features before it was submitted to the Senior Executive team for review and endorsement.

KPI's 4-8	Target	Total seeds collected and processed (Dry weight)	Achievement %
400kg Native seeds	400kg dry weight	269.1kg	67.2%
700kg Exotic species	700kg Dry weight	257.7kg	36.8%
200kg Fruit species seeds	200kg dry weight	93.1kg	46.5%
300kg Coastal species seeds	300kg dry weight	81.3kg	27.1%
100kg Sandalwood species seeds	100kg dry weight	6.6kg	6.6%

Allometric Model and Biomass calculation

A crucial step in climate change mitigation is quantifying the forest's aboveground biomass and carbon storage by applying Allometric equations. The primary activities for this financial year are to engage a consultant, procure specialised equipment and proceed with data collection and analysis of selected tree species in the different geographical conditions.

The team had commenced collecting quotations for the equipment from overseas and local suppliers. However, purchasing that equipment was carried forward to the next financial year. Furthermore, the COVID-19 restrictions caused a delay in all planned activities, from training to the execution of the fieldwork scheduled for implementation within three months.

With support from the REDD+ unit, a consultant (Dr. Narendra Chand) was engaged to provide technical advice for the team and a Field Guide on the "Allometric Biomass Equation of Terrestrial Forest of Fiji".

Diameter Limit Table (DLT) Guideline

A draft copy of the DLT implementation guideline has been drafted. The DLT implementation guideline aims to provide direction to the Ministry of Forestry staff and other relevant stakeholders, i.e. logging contractors and land owners, on the standard logging practice in accordance with the Ministry of Forestry's Harvesting Code for native tree species and its corresponding Diameter Limit. The team and the Senior Executive team are in the final stages of reviewing and finalising the documents before their endorsement.

Training to the forestry staff on the Guideline, both theory and fieldwork, was conducted to all operations staff in the three Divisions (Northern, Westerns & Central Eastern).



Figure 12: DLT implementation training for the Ministry officials.

Forest Health

Forest Health is concerned with insects that affect the forest and forest products, and its scope of research is to survey, collect and rear timber-infesting insects, to liaise with timber inspectors and quarantine officers to import timber products and periodical trapping at ports of entry, plantations and nursery.

A draft copy of the Incursion and Response Plan on Forest Pests and Diseases was drafted and submitted to the relevant organisations for their feedback before submission to the management for review and endorsement.

Tree Improvement

The objective of tree improvement is to identify, thin and develop superior stands to supply quality seeds for reforestation. Assessments were conducted for the following trial plots, and reports were compiled accordingly:

- Yavuna Nausori Highlands – Sandalwood & mixed species
- Drasa Alternative Species Trial – Eucalyptus, Pine & Acacia
- Vaqia, Ba – mixed species

Monitoring, Reporting and Verification (MRV) Guideline

An MRV Guideline was developed to assist the Reforestation of Degraded Forest project and the 30 million tree in 15 years initiative to capture the quality of work delivered by the Ministry. The draft MRV Guideline was submitted to the management team for review and endorsement and will be trialled out in the 2021-2022 fiscal years. The MRV Guideline for traceability starts from the seed collection – field planting survival or mortality rate.



Figure 13: MRV work carried out by forestry research staff

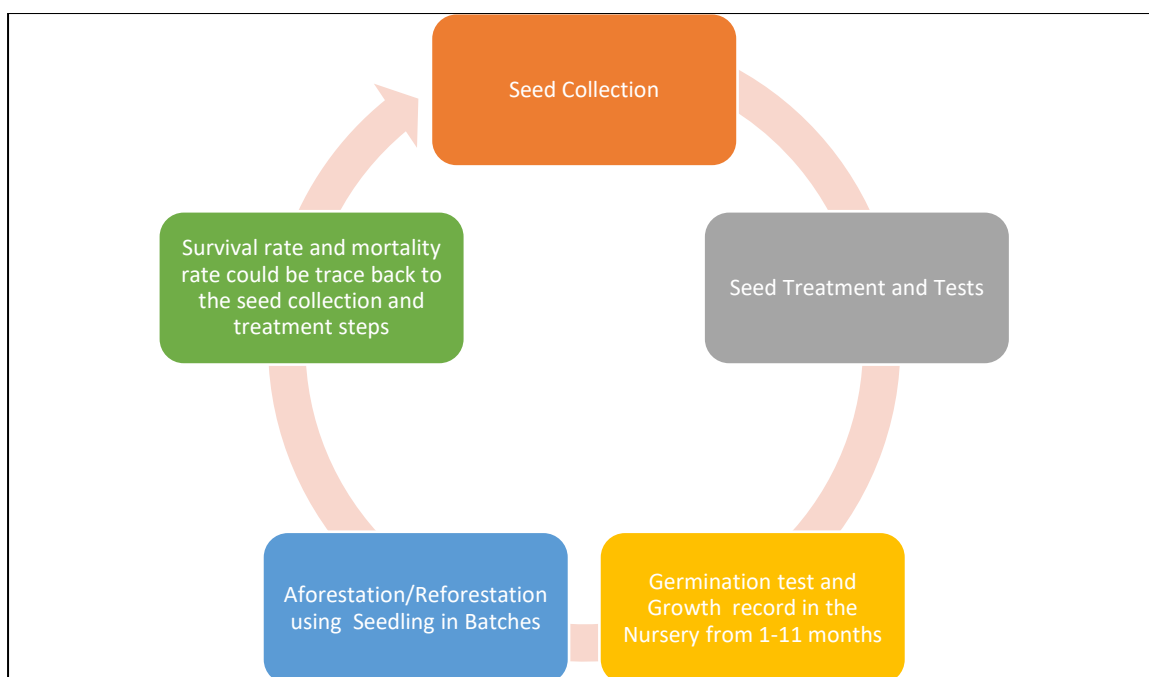


Figure 14: MRV guideline processes

Collaboration with Partners

Through the Silviculture research divisions, the Ministry collaborated with the following organisations to carry out certain activities.

1. Seed Technology with SPC, FAO and Mamanuca Environment Society
 - a. Seed Germination Training – 8/8/20 -12/8/20
 - b. Seed Phenology, Tree Selection and Seed Stand Establishment Training – 12/10/20 -16/10/20
 - c. Basic Tree Climbing Training – 9/11/20 – 13/11/20
 - d. DLT and Seed Collection Training -23/11 – 27/11/20
 - e. Joint seed collection activity with FAO & MES in the Mamanuca and Hands-on training on Seed germination – 24/02/21 -26/02/21
2. Natural Forest team with USP on the Eradication of Invasive Species (African Tulip) from Waindina Catchment at Naitasiri.
 - a. The coring and drilling method was adopted as it is the most sustainable and efficient technique to implement to eradicate larger African Tulip trees. The application of this method showed the best results of interest in a short time frame. Contrastingly, herbicide on the stump; bark removal; and hack and squirt work best at killing younger trees.

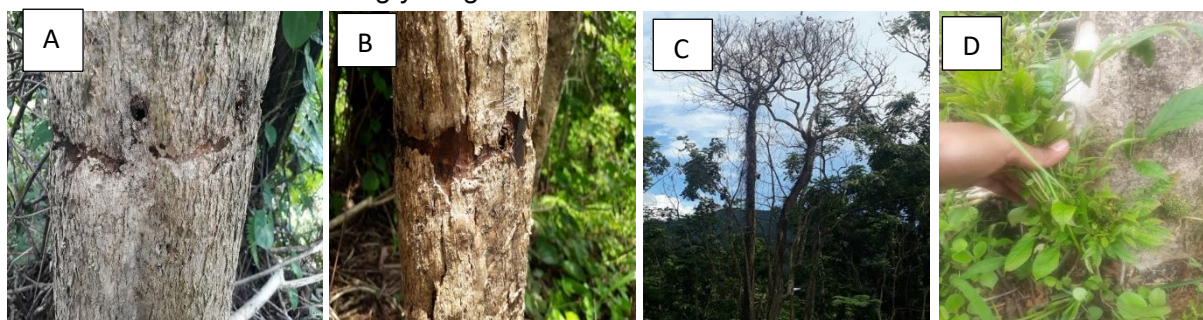


Figure 15: A, B, & C show the effect of coring and drilling on the African tulip tree; d shows the vegetative growth caused after tumor on trees with hack & squirt; bark removal and control.

Research Publications

Three Publications were released this fiscal year through the collaboration of the Ministry of Forestry and the ACIAR project. The Link to the publications are listed below.

Table 27: Research publications

Publication Title	Citing
Domestication provides the key to conservation of Santalum yasi- a threatened pacific sandalwood	Bush, D., Thomson, L., Bolatolu, W., Dutt, S., Hamani, S., Likiafu, H. & Young, E. (2020). Domestication provides the key to conservation of Santalum yasi—a threatened Pacific sandalwood. <i>Australian Forestry</i> , 83(4), 186-194. https://www.tandfonline.com/doi/full/10.1080/00049158.2020.1855004
Oil yield and composition of young Santalum yasi in Fiji and Tonga	Bush, D., Brophy, J., Bolatolu, W., Dutt, S., Hamani, S., Doran, J., & Thomson, L. (2020). Oil yield and composition of young Santalum yasi in Fiji and Tonga. <i>Australian Forestry</i> , 83(4), 238-244. https://www.tandfonline.com/doi/full/10.1080/00049158.2020.1834278
Sandalwood Development in Fiji	Bolatolu W, Lesubula M, Vukialau M 2019. Sandalwood development in Fiji. Paper presented to Sandalwood Regional Forum held in Vanuatu, Nov 11–13, 2019

National Tree Seed Center

With a budget allocation of \$50,000 this financial year, specialised equipment was procured for developing a tree seed centre in Colo-i-Suva.

Walk-in cool room



This unit will be able to store a large and diverse range of orthodox seeds in the longer term for research and tree improvement purposes and it will also act a gene bank where seeds are stored for preservation and conservation.

Display Cooler



These two units will be used as a temporary storage or short-term storage this is for the safe storage of different seed types i.e. recalcitrant and intermediate seeds at different temperatures.

Deep Freezer



Two deep freezer (- 15°C), stand-up domestic type, but not self-defrosting as fluctuating temperature is extremely harmful to seed longevity

Storage Containers



These airtight containers will be used to store different types of seeds in the cool room, freezer, and display cooler after seeds are processed and carefully dried to a certain temperature to reduce moisture, Seeds will be packed in sealed plastics and stored in these containers for long-term storage.

Shelves




Example of shelves that will be constructed and installed in the new cool room. This will be used to hold storage containers and seed bags that contain long lived orthodox seeds and other seed types that will be stored in the cool room for long term storage

Sandalwood Project

With a budget allocation of \$80,000, the Sandalwood Project team conducted the following activities.

Table 28: Sandalwood project activities

No.	Activity	Remarks
1.	Sandalwood Inventory Data Analysis & Registration of New Farmers	New inventory data and newly registered farmers were updated in the National Sandalwood database.
2.	Sandalwood Market Study – Consultation for Sandalwood Plant Distillery Establishment Locally (Initiation Phase)	The current restrictions imposed by the global pandemic caused a delay in implementing the planned activities for this outcome. However, field visits to crucial established sandalwood experts were conducted.
3.	Sandalwood Tree Assessment, Pests & Diseases Survey	<p>The survey transitioned from manually filling forms to entering data in a new software application, the ODK app, with the assistance of the IT unit. It assisted greatly in field data assessment and the traceability of sandalwood stock. The first round of evaluation was done within the targeted areas in the Northern Division. These include specific regions of Taveuni Island, Ravuka village, Tabia and Tuatua on the mainland of Vanua Levu. All the specimens collected are currently kept in our Entomology Laboratory for identification, and the data are further analysed for the final report.</p> 
4.	Project Monitoring	Monitoring was conducted every Quarter. However, this activity was also affected during the COVID-19 pandemic.

Collaboration with ACIAR

Table 29: ACIAR Project activities and achievements

Project Activities	Achievements
A workshop to foster consensus on strategies for the domestication of pure, market-differentiated S.yasi, exotic Santalum and hybrids	Objective Completed with the agreement reached.
Production of a written, well-integrated conservation, domestication and tree improvement strategy for S.yasi to guide short, medium-and long-term genetic management of Species	Conference Paper and peer-reviewed journal articles published.
Establishment of genetic conservation plantings of pure S.yasi on secure sites in Fiji and Tonga	Objectives partially fulfilled by seed orchard. Seed exchange successful with the Kingdom of Tonga.
Establishment of Community-based seed orchards for the production of best-quality S.yasi Germplasm for local use and sale	Three Seed stands were established using seedlings and direct-seeded seed. We have collected leaf samples from established GCA to conduct DNA analysis.
Assessment of genetic variation of S.yasi oil yield quality to guide genetic improvement of these economically important traits.	A study published in a peer-reviewed Journal confirms that the oil yield and quality of S.yasi can be excellent if trees are of sufficient age at the time of harvest.
Production of a manual that informs sandalwood growers how to best plant S.yasi, where to source the best and purest Germplasm for S.yasi	The existing growers manual of S.austrocaledonicum has been updated to include S.yasi (Expected to go into production at ACIAR publishing soon).

Research and Development – Timber Utilisation

Research on lesser-known species

A project funding of \$150,000 was provided for applied research studies on the properties, and potential uses of lesser-known species (LKS) continued during the financial year with work completed on 26 out of the 31 species initially identified in Nakavu. These species were assessed for their natural durability using stakes exposed in graveyards at Nasinu (11 species), Korotari (9 species) and in Drasa (6 species).

Site selection for LKS extraction – Site 1: Nabukelevu, Serua

The research process for the LKS project consists of tree identification, verification and marking of the selected trees for log and density discs' extraction. Because of the damage to the access bridge at Nakavu, our research team travelled to Nabukelevu during the first Quarter. To identify and mark the LKS to be studied. The team was made up of the research team at TUD, a tree spotter from FRAC and a Navua Extension Officer who participated in the identification of trees via phenological characteristics.



Figure 16: Measuring and recording of Diameter at Breast Height (DBH) at Nabukelevu.

A total of 27 individual trees, comprising eight species, were identified and marked during the 3 days the team spent in Nabukelevu. The eight species selected included bau, bulu, dalovoci, damabi, kaunigai, kuluva, maqo ni veikau and tomanu, most of which were located within logging coupe for the current logging contractors at Nabukelevu.

Site 2: Nakavu, Namosi

Due to the inability to extract logs from Nabukelevu, the research team had to pursue other options and, together with staff from the Navua Extension Office, was able to identify and mark 3 LKS, namely dalovoci, kaunigai and vutukana (with at least 5 trees per species; $\geq 35\text{cm}$ DBH) from the Sustainable Forest Management (SFM) Research Plot in Nakavu. Unfortunately, these trees were not felled due to the project fund spending restrictions.



Figure 17: The damaged bridge at Nakavu where the team had to walk from this point to the 1st plots on foot for at least 30 minutes

Natural Durability Research Trials

In this financial year, the Drasa service trial was established with graveyard stakes and weatherboard installed. The purpose of the graveyard trials is to assess the natural durability class of each of the species studied. For the weatherboards, the objective is to evaluate the species' performance under final and undercoat painting conditions and compare untreated boards with those treated at H3 hazard level. Korotari graveyard trial site and the Division's nursery were also fenced during the quarterly assessments of the trial sites.

Drasa Graveyard Trial (Lautoka)

The Drasa graveyard trial site is located in Lautoka, on land given by the Fiji Pine Group of Companies. The trial site was established in the 2nd Quarter, where 120 stakes (6 species) and 3 weatherboards were installed. The six species for the natural durability stakes are bausa, kaunigai, kuluva, sole, maqo ni veikau, and marasa. For the weatherboards, the three species tested included dalovoci, kaunigai and bausa. The first assessment of the Drasa trial site was conducted during the 3rd Quarter, and this indicated that all six species being assessed for natural durability were free of decay, insect and mould. The weatherboard trials were also of the same conditions.



Figure 18: Drasa trial site, Lautoka

Korotari Graveyard Service Trial

The Korotari graveyard trial site was established during the last fiscal year (2019-2020). Fencing, trial assessments and maintenance continued into the current fiscal year (2020-2021). From the previous evaluation undertaken during the 3rd Quarter (2020 – 2021), results indicated that all *bausa*, *tomanu*, *kaunigai*, *kuluva* and *bulu* graveyard stakes were still sound. In comparison, 70%, 60% and 50%, respectively, for *damabi*, *maqo*, *sole*



Figure 19: Korotari trial site, Vanua Levu

and *vutukana* graveyard stakes had failed in ground contact. Assessment of weatherboards showed that with the exception of *bausa*, stains were detected on the untreated control sections for *kaunigai*, *kuluva* and *damabi*. There was also some light mould growth on the treated sides of *kaunigai*, *kuluva* and *damabi* weatherboards.

Nasinu Graveyard Trial

The Nasinu trials were established in 2019 and now consist of 11 species (including *bausa*, *baumika*, *bulu*, *damabi*, *dalovoci*, *dulewa*, *kaunigai*, *kuluva*, *maqo ni veikau*, *tomanu*, *sole* and *vutukana*) as graveyard stakes for natural durability assessments and five species for weatherboards (*baumika*, *dulewa*, *kaunigai*, *kuluva* and *vutukana*) comparing performances by species, painting and treatment. *Dalovoci* and *sole* are two species that have already failed in ground contact (<25% of the stakes remaining). The maintenance and quarterly assessments of the Nasinu trial site are ongoing activities at Timber Utilisation Division that will continue into the 2021 – 2022 fiscal year.

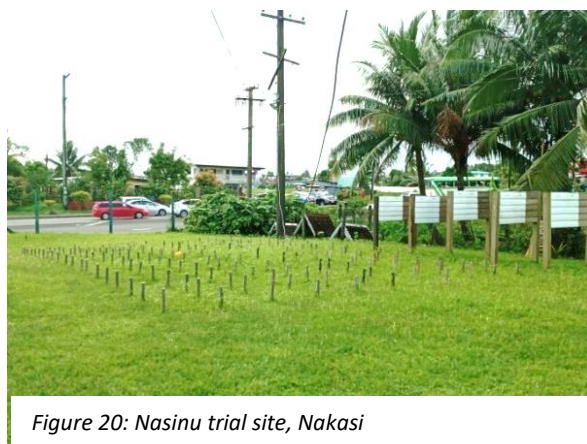


Figure 20: Nasinu trial site, Nakasi

Research Publications

Five research papers were compiled and submitted to the Fiji Agriculture Journal (FAJ) for peer review, and publications are listed below:

1. Wood properties and potential uses of *Maesopsis eminii*.
2. Grade recovery studies on mahogany (*Swietenia macrophylla*) grade 4 (A&B) at the Ministry of Forestry's sawmill at Nasinu Suva, Fiji Islands.
3. Treatment study comparing the penetration and retention levels of Tanalith C Oxide (CCA wood preservative) in H4 treated pine (*Pinus caribaea*) posts debarked by the benzer post peeler and those debarked using the ring debarker.
4. 2019 Treatment Plants Review in Fiji.
5. Sawing recovery of several sawmills in the Fiji Islands.

Strategic Priority 3: Capacity Building (Ministry & Stakeholders)

Forestry Technical Training

The impact of Tropical Cyclone Yasa late in 2020 hampered FTC's achievement of its training targets set for 2020 – 2021 as staff were engaged in DISMAC Operations, clearing main access roads, farm roads and villages in the Central and Northern Divisions of the country from the debris that was left behind after the onslaught of the Tropical Cyclone. In addition, the Forestry Training Centre was also used as a COVID-19 Community Isolation Facility from April 2020 until now. Staff were working from home, and some were engaged in COVID-19 operations near their homes and villages.

Technical Skills Training

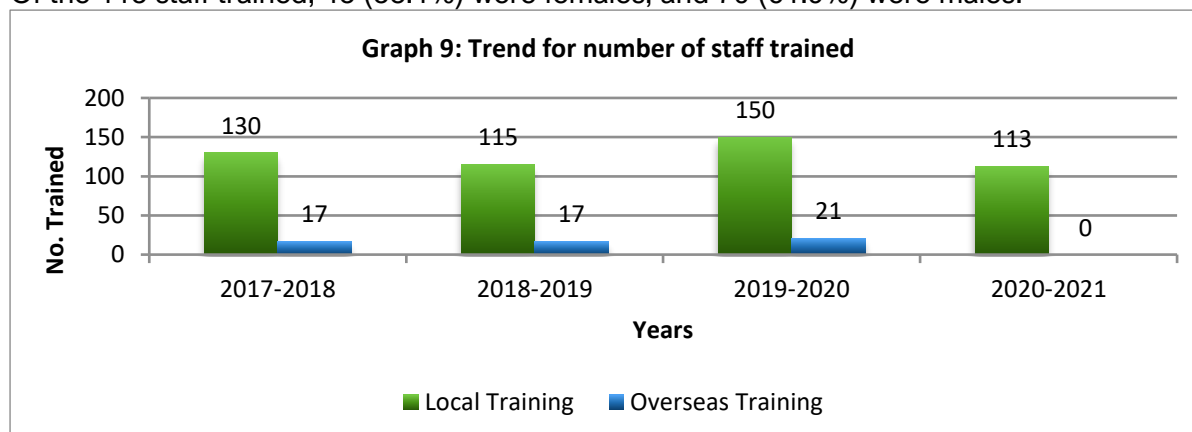
Technical skills training conducted are listed in the table below.

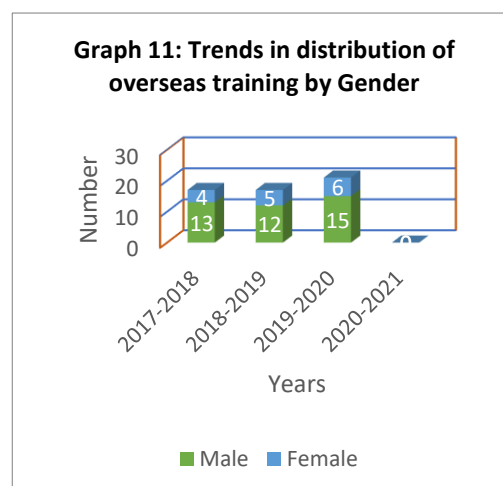
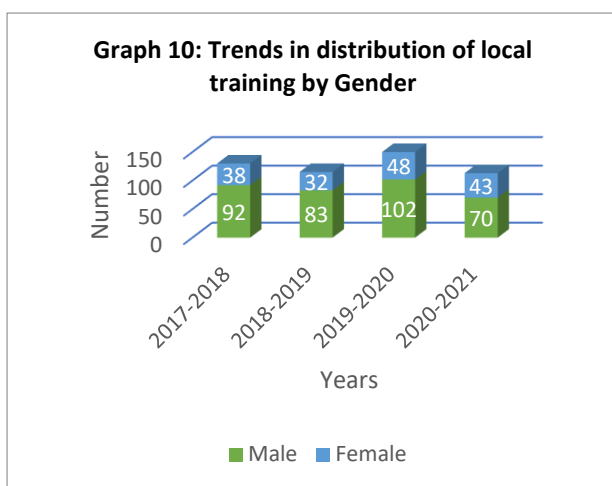
Table 30: Technical skills training conducted for 2020-2021FY

No.	Type of Training	Dates	Location	No. of participants
1.	Chainsaw training	27/09/ - 02/10/2020	Nakorovatu, Waima, Naitasiri	25
2.	Chainsaw training	12/10/- 23/10/2020	Waibalavu, Nagonenicolo, Naitasiri	44
3.	Chainsaw training	26/10/ - 06/11/2020	Naqara, Waima, Naitasiri	29
4.	Chainsaw training	09/11/ - 20/11/2020	LDS Charities	18
5.	Chainsaw training	30/11/ - 11/12/2020	CATD, Nadave	31
6.	Chainsaw training	23/03/- 01/04/2021	Waimaro Rugby Club, Sawakasa, Tailevu	56
7.	Nursery training	19/10 – 23/10/2020	Waivou, Burebasaga, Rewa	44
	TOTAL			247

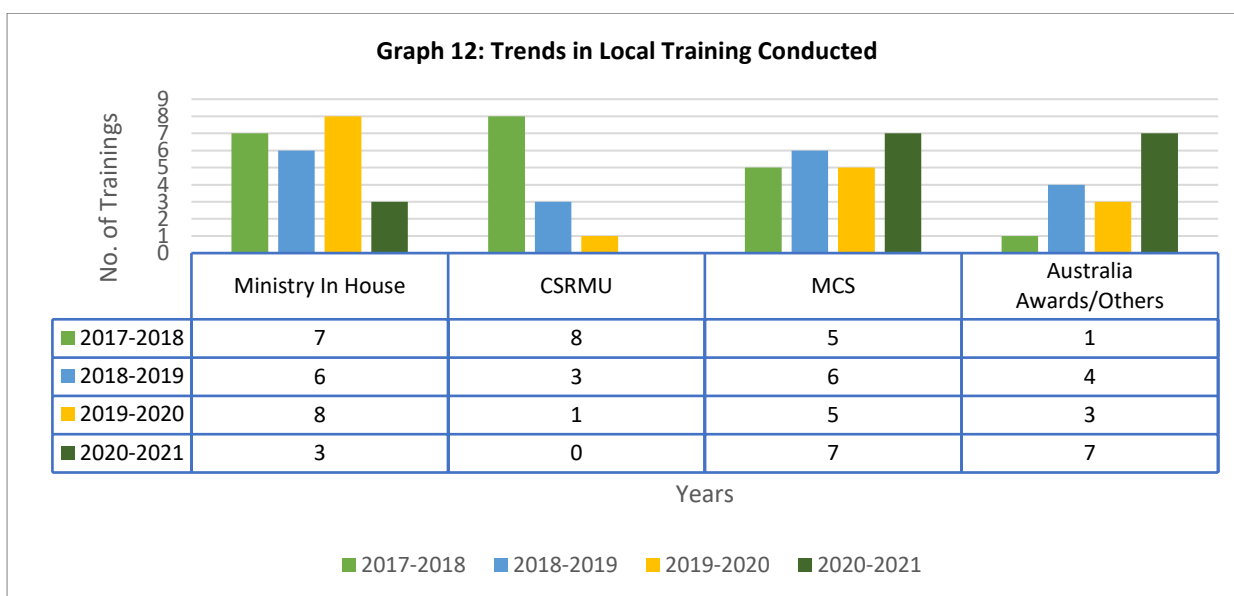
Corporate Training

A total of 113 staff were trained, all conducted locally due to international travel restrictions. Of the 113 staff trained, 43 (38.1%) were females, and 70 (61.9%) were males.





The Ministry conducted 17 local trainings. These were trainings identified through the staff performance assessment. In-house facilitated the training courses, Ministry of Civil Service (CSRMU) and Australia Awards in conjunction with the Ministry of Civil Service. Graph 12 below shows the trend in the distribution of the local training programmes facilitated over the years.

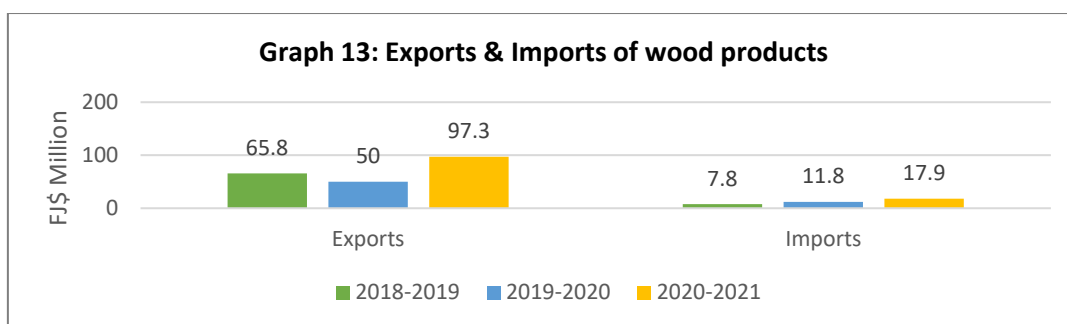


Strategic Priority 4: Stewardship

Trade Facilitation

The Ministry launched its Export and Import Online licensing system this financial year. It was a timely achievement during a challenging period, allowing traders to access the online systems from their homes without visiting the forestry office.

This financial year export revenue reached a total amount of \$97.3 million, which is an increase of \$47.3 million (94.6%).



Exports

From the \$97.3 million export revenue, pine chips contributed the most with a total value of \$65.3 million (67%), followed by sawn timber at \$20.7 million (21%), Slabs at \$6.1 million (6%), Decking at \$2.99 million (3%) and Plywood at \$1.0 million (1%).

The major export destinations for 2020-2021FY are China at \$44.6 million, Japan at \$23.2 million, Hong Kong at \$10.9 million, United States of America at \$8.1 million, Dominican Republic at \$2.4 million and Others totalling to \$8.1 million.

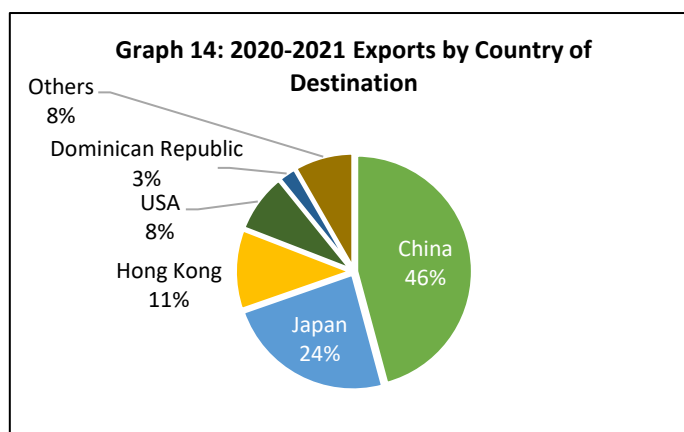


Table 31: Exports by Commodities 2020-2021FY

TOTAL EXPORT VOLUME & VALUE BY-PRODUCTS					
Products/Commodities	Volume				Value (FJ\$)
	m ³	mt	kg	pcs	
Chips		490,749			65,348,422.91
Sawn Timber	16,438				20,748,511.05
Slabs	4,439				6,069,356.52
Decking	1,471				2,988,724.46
Plywood	544				1,022,854.60
Mango Sticks			3,635		248,981.48
D45	153				201,612.03
Masonite	146				197,324.01
Cut of Logs	422				190,543.74
Dressing Timber	181				186,331.63
Wooden Artifacts				2,857	44,572.40
Posts	26				37,993.19
Weatherboards	10				16,028.31
Branches	1593.7				9,562.20
Flooring	7				6,597.65
Tanoa				377	5,014.10
Floorboards	2				3,000.00
Coconut Fibre (Magimagi)				68	2,040.00
Strips	10				300.00
Woven Mats				27	189.00
Total	25,443	490,749	3,635	3,329	97,327,959.28

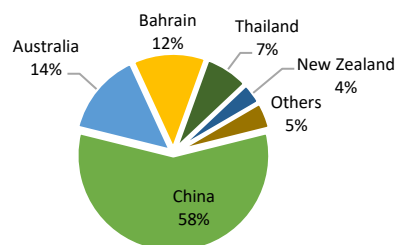
Import

A total of 178 import permits were issued, with a total value of FJ\$17.9 million. Major imported products include Plywood, plyboard, sawn timber and hardboard.

Table 32: Imports by Commodities 2020-2021FY

Products/Commodities	Import Value
Form Seal Board	7,393,793.91
Plywood	3,016,639.73
Wooden Drums	2,238,515.56
Hardboard	1,251,086.06
Particle Board	1,227,358.14
Others	2,803,009.50
Total	17,930,402.90

Graph 15: 2020-2021 Imports by Country of Origin



Forestry Business/ Investment Guide

The 2020-2021 Forestry business and investment guide was published and disseminated to all Divisional offices, stakeholders and the general public who visit the forestry offices, trade show booths and other interagency shows/consultations.

Product Development

Four products were developed from the use of lesser-known species. These products include office furniture, foldable benches, ironing shelves/chair, and desks.



Figure 21: Foldable chair and stool (Vutukana)



Figure 22: Foldable chair and ironing board (Mixed LKS Species)



A

Figure 22: Foldable bench (Vutukana)



B



A – Bookshelf



B – Front view of desk



C – Behind the view of the desk

Climate change adaptation & mitigation

Emission Reduction Programme (ERP)

Following the acceptance of Fiji's Emission Reduction Programme Document (ERPD) in July 2019, the following key activities were undertaken by the REDD+ team of the Ministry.

Table 33: Emission Reduction Programme activities

No.	Subject	Remarks
1.	ERPA	In January 2021, the Emission Reduction Payment Agreement (ERPA) was signed by the Fiji Govt. with the World Bank's Forest Carbon Partnership Facility (FCPF) to operationalise Fiji's five-year REDD+ ERP.
2.	Procurement Officer recruitment	A Procurement Officer was recruited in December 2020.
3.	REDD+ Strategy	A draft REDD+ Strategy was developed, and a consultation workshop was conducted on 18-21 Aug 2020. The Strategy was completed this financial year.
4.	Allometric equation	The development of the Allometric equation and the carbon assessment for grasslands work will be carried forward to the next financial year.
5.	REDD+ Policy 2011	Revision of REDD+ Policy 2011 started with the engagement of a consultant and consultation with relevant stakeholders. It will continue in the next financial year.
6.	Safeguard Information System (SIS)	Develop Safeguard Information System (SIS), National Interpretation Of Cancun Safeguards & Monitoring System For Non-Carbon Benefits
7.	World Bank Aide Mission	World Bank Aide Mission was conducted on 8-13 July 2021
8.	National Forest Inventory (NFI)	Collate/Compile Reports For the 2006 National Forest Inventory (NFI) & Assessment of Permanent Sample Plots. NFI sampling and preparation for 2021 were also carried out. A one-week training for team leaders was conducted.
9.	Benefit Sharing Plan	Completed, and a cabinet paper was drafted.
10.	ERP Operation Manual	Work started this financial year following the acceptance of the ERP in July 2019. It will be completed in the next financial year.
11.	Feedback Grievance Redress Mechanism (FGRM)	Work has started on this and will be continued in the next financial year.
12.	ERP Awareness Programme	Production of outreach tools. This work will be carried forward in the next financial year.

US Forest Service Climate Fellow Support to Ministry of Forestry

Climate Fellows is a U.S. Government technical cooperation program that promotes sustainable land use through targeted technical assistance to selected country partners. The program places technical experts in host country government ministries to address priority technical needs related to national greenhouse gas inventories, forest management, and/or forest monitoring. These experts work directly with host country counterparts to provide customized, long-term technical assistance to strengthen national capacities with respect to forest inventory; Measurement, Reporting, and Verification (MRV); and other systems for tracking and reporting changes in forest, agricultural, and other lands.

In April 2021, the US Forest Service placed a Climate Fellow, Dr. Randy Hamilton, within the Ministry of Forestry to provide technical assistance to the Ministry for at least two years. Dr. Hamilton has expertise in remote sensing and forest monitoring. Following discussions with Ministry leadership prior to and after his arrival, two key priority areas were identified for Dr. Hamilton's assistance:

- Support the REDD+ (Reducing Emissions from Deforestation and forest Degradation) program with the monitoring aspects of the Measurement, Reporting, and Verification (MRV) process

- Support the development of a national, multi-purpose forest and land monitoring system that will satisfy REDD+ and greenhouse gas reporting, as well as other information needs

The Ministry identified other topics of interest that Dr. Hamilton may address if time permits, which include:

- Forest restoration
- Urban forestry
- Agroforestry
- Payments for ecosystem services
- Drone technology

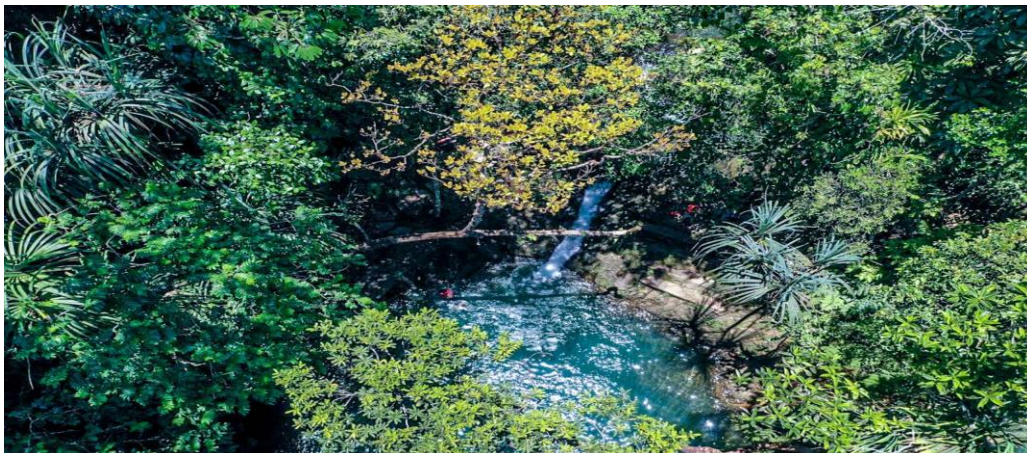
Prior to his arrival in Fiji, Dr. Hamilton provided remote technical assistance to the Ministry through engaging with the REDD+ team and World Bank and providing technical inputs on methodologies being proposed, tested, and implemented for the REDD+ readiness and emissions reduction programs.

The World Bank hired Dr. Eric Bullock, an employee of the US Forest Service, to test an algorithm he developed to map forest degradation. Dr. Hamilton collaborated with Dr. Bullock to conduct a preliminary accuracy assessment of the product.

Following his arrival in Fiji, Dr. Hamilton helped the REDD+ unit generate activity data for the first monitoring period under an Emissions Reduction Purchase Agreement with the World Bank. Activity data refers to the number of hectares deforested or reforested during a given time period, which is then converted to carbon emissions or removals. Monitoring period activity data are generated to demonstrate the country's progress toward reducing deforestation and increasing forest cover and are compared to activity data from a historical baseline or reference level. Fiji will receive payments for reductions in carbon emissions during the monitoring period as compared to the reference level.

Dr. Hamilton worked closely with one of the staff members on GIS processing and other technical aspects of generating the activity data. Other team members were then engaged in the final stages to create the activity data.

Dr. Hamilton provided a series of short trainings on key activities that needed to be completed to create the activity data. Ultimately, an initial set of activity data were created for the first monitoring period. Throughout the process, Dr. Hamilton provided technical guidance and promoted good practices, including establishing quality assurance and quality control procedures and documenting standard operating procedures for various steps.



Global, Regional & National Partnership

International Climate Initiative (IKI) partnership between FAO and the Ministry

The Project Document for the International Climate Initiative on Forest Landscape Restoration in the Yasawa and Mamanuca islands was approved by Cabinet and signed by the Permanent Secretary of Forestry with an FAO representative on 17th February 2021. This Initiative resulted from the Paris Agreement, an international treaty on climate change adopted in 2015, and covers climate change mitigation, adaptation and finance.

The Project targets to restore dry forests in the Mamanuca and Yasawa group of islands and also assist communities with alternative livelihood sources.



Figure 23: FAO Country representative, Ms. Joan Young and PS Forestry, Mr. Pene Baleinabuli after signing the Project Document.

MOU with Fiji Police Force

The Ministry signed an MOU with the Fiji Police Force on 05th February 2021 to establish a foundation for systematically sharing information between the two organisations. It will also develop synergies to improve Fiji's overall management of our forests, including reducing illegal operations.



Figure 24: Signing of MOU between the Fiji Police Force and Ministry of Forestry, officiated by PS Forestry Mr. Pene Baleinabuli and the Acting Commissioner of Police Mr. Rusiate Tudravu.

MOU with Fiji Revenue and Custom Services

The Ministry signed an MOU with the Fiji Revenue and Customs Services on 09th September 2020 to strengthen partnerships and information sharing for efficient administration of Government's revenue policies to support economic growth and improve tax compliance in the forestry sector.



Figure 25: Signing of MOU between the Fiji Revenue & Custom Services and Ministry of Forestry, officiated by PS Forestry Mr. Pene Baleinabuli and the Acting Chief Executive Officer Ms. Fane Vave.

MOU with Fiji Bureau of Statistics

The Ministry signed an MOU with the Fiji Bureau of Statistics in December 2020 to help capture accurate information relating to Fiji's forestry sector in a more systematic and structure approach.



Figure 26: Chief Executive Officer of Fiji Bureau of Statistics, Mr Kemueli Naiqama and Permanent Secretary for Forestry, Mr Pene Baleinabuli during the signing of the MOU.

Livelihood Assistance, Community development and Inter-agency collaboration

Housing rehabilitation

The Ministry continued assisting communities who needed their homes rebuilt and repaired after the impacts of natural disasters. Portable sawmills were also delivered to affected communities and pine schemes to assist in the harvesting and processing timber for housing structures. In the Northern Division, the Bua province was the most affected during TC Yasa and TC Ana, especially for the Lekutu and Wainunu districts. A total of 169 houses were reported to be either completely or partially damaged in the North. By the end of the financial year, the Ministry produced 311 housing structures to assist affected communities in the Eastern and Northern Divisions.

Table 34: Number of housing structures produced

Year	Location	Number
2020-2021	Moturiki	14
	Kadavu	287
	Total - Eastern Division	301
	Votua	11
	Total - Northern Division	11
	Grand total	311

DISMAC Operations

This year, the impacts of a number of tropical cyclones saw the Ministry step up to support leading government agencies in clearing trees and debris, conducting damage assessments and distributing food and other relief rations to affected communities.



Figure 27: Ministry staff during DISMAC operations.

COVID-19 Response Support

The Ministry continued to support the Ministry of Health & Medical Services in terms of seconding staff to MHMS to contribute in various fields, providing vehicles and using the Forestry Training Center since April 2020 as a community isolation facility. About 60% of Ministry personnel and 60% of Ministry vehicles were deployed to provide these support services.



Figure 28: Ministry staff assisting MHMS in Covid – 19 containment operation.

Strategic Priority 5: Forest Financing

Sustainable financing for terrestrial protected areas

One of the long-term outputs under this strategic priority is establishing Forest Trust Funds. Intending to develop forest financing mechanisms, the Ministry commenced work this financial year on reviewing and assessing cost models of existing terrestrial protected areas such as the Sovi basin, Tomaniivi, Delaikoro, and Taveuni protected areas.

Strategic Priority 6: Organisation Effectiveness

Human Resource

The Human Resources Division provides support services to all Divisions of the Ministry relating to human resource development and management, corporate administration, and occupational health and safety assurance.

HR Policies, Plan, Guidelines

HR Policies and manuals were developed in line with the Ministry of Civil Service guidelines and policies

Human Resource Management Information System (HRMIS)

The Ministry has progressed well with implementing the Human Resource Information System (HRMIS) with a target of uploading all employee contracts and leave information by December 2020. Due to COVID-19 work disruptions, this was not achieved within the timeline.

A total of 249 contracts were uploaded, and the leave status for all employees was updated in the system.

The Employee Leave Portal, which allows for online leave application and approval, was operational this financial year for Ministry staff to utilise. Training will be carried out before the roll out to all divisions. In 2022, it is envisaged that the performance assessment module will

be implemented so that employee performance assessments can be done online rather than on paper.

HR Management

The Ministry had a staffing strength of 247 (92.86%) out of the 266 approved posts.

Table 35: Ministry Workforce and staffing strength

Programme	Established		GWE		Project		Total	
	Approved Post	Staffing Strength	Approved Post	Staffing Strength	Approved Post	Staffing Strength	Total Approved Staff Posts by Prog.	Total Staffing Strength by Prog.
1 – Policy and Admin	31	27	3	1	0	0	34	28
2 - Forestry	114	106	86	84	32	29	232	219
TOTAL	145	133	89	85	32	29	266	247

Table 36: Staffing breakdown by gender

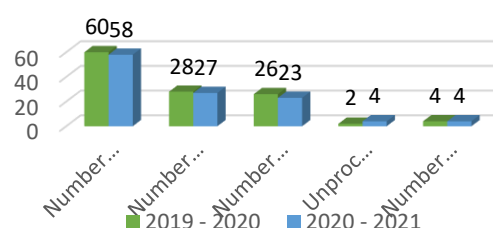
A breakdown of staffing strength by gender shows that 69% of employees are males and 31% are females, with males being particularly predominant in GWE and project roles.

	Male	Female	Total
Established	81	52	133
GWE	67	18	85
Project	23	6	29
Total	171	76	247

Recruitment and Selection

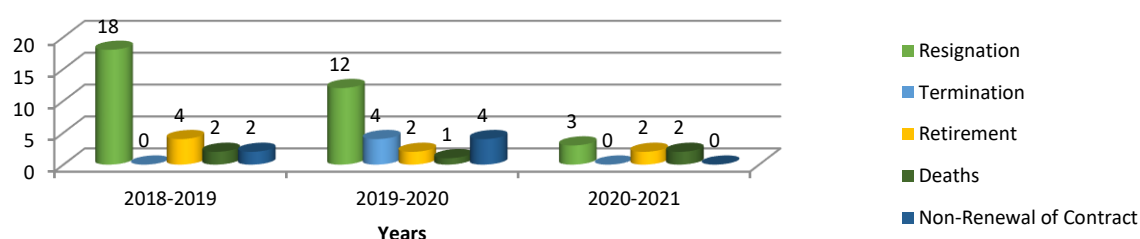
There were 34 contracts issued this financial year, of which 23 were issued for the current year, while 11 were for positions advertised before 1st August 2020 but processed during the financial year 2020-2021.

Graph 16: Trends in Recruitment & Selection



Staff Turnover

Graph 17: Trend in number of staff turnover



Asset Management

Table 37: Activities are undertaken by the Assets Unit

No.	Subject	Remarks
1.	2020-2021 Annual Procurement Plan (APP)	APP was completed and submitted to the Ministry of Economy.
2.	Asset Register	The register was completed and submitted to the Ministry of Economy.
3.	Asset Management Framework	The framework was completed and submitted to the Ministry of Economy.
4.	Board of Survey (BOS)	The BOS team successfully carried out BOS 2020 – 2021 before 31st July.
5.	Tender processes	The Ministry fully completed all tender processes for procurement of over \$50,000.
6.	Fleet management	The total number of vehicles in the Ministry's transport fleet is 76. It includes heavy machinery, e.g. Loader, Skidder, Caterpillar, trucks and logging trailers. 42.11% of the fleet are leased vehicles from ASCO Motors (28), KIA Motors (3) and Carpenters Motors (1). The other 57.89% are Ministry owned, whereas 18.18% of Ministry vehicles are under the Maritime Pine project.
7.	Upgrading of Quarters	Four staff quarters were successfully upgraded at Vunimaqo Station under the Upgrading of Offices and Quarters project funding.

Finance

Table 38: Activities are undertaken by the Finance Unit

No.	Subject	Remarks
1.	Finance Manual	The 2020-2021 Finance Manual was developed and circulated to all staff of the Ministry.
2.	Budget Utilisation and Monitoring	Weekly updates were provided to management through the submission of HOD reports on the budget utilisation rates and issues to be addressed.
3.	Annual Financial Statement (AFS) for 2020-2021	AFS completed and submitted to the Office of Auditor General.
4.	Financial reports	Quarterly financial reports were completed and submitted to the Ministry of Economy.

Information Technology

Table 39: Activities are undertaken by the IT Unit

No.	Subject	Remarks
1.	IT Support work	<p>The recovery following the Govnet system crash in March 2021 wiped files in staff PC drives and servers.</p> <p>Developing and implementing an ODK system for the Ministry's COVID-19 support work.</p> <p>The IT section continued to provide troubleshooting services, communications and ODK support and training. Quarterly monitoring checks of equipment and the Board of Survey were done until March 2021, when the COVID-19 outbreak occurred.</p>
2.	Online Systems and Databases	The IT team continued to work on improvements to the wood product's import and export approval systems following the launch in January 2021. The online system reduced turnaround time to 24hrs.

Planning, Statistics and Monitoring & Evaluation

Table 40: Activities are undertaken by Planning, Statistics and Monitoring & Evaluation Unit

No.	Subject	Remarks
1.	2020-2021 Operational Plan	The Operational Plan was published and launched in August 2020 at the Colo-i-Suva forest park.
2.	2021-2022 Budget Submission	The Planning team facilitated the consolidated Ministry Budget submission for 2021-2022 financial year and submitted it to the Ministry of Economy.
3.	2021-2022 Operational Plan	A copy of the draft 2021-2022 Operational Plan was developed and submitted to the Ministry of Economy with the Budget.
4.	Annual Workplans	All annual project work plans were submitted to the Ministry of Economy within the first Quarter.
5.	Monitoring & Evaluation	Quarterly monitoring was conducted this financial year. Though field visits were limited due to COVID-19, desktop analysis and online interviews/discussions were undertaken to gauge staff performance in the Division.

No.	Subject	Remarks
6.	Annual Reports	<ul style="list-style-type: none"> Jan–Jul 2016 report (PP No.277/2020): published and tabled in Cabinet and Parliament this financial year. Aug 2016-Jul 2017 report (PP No.278/2020): published and tabled in Cabinet and Parliament this financial year. Aug 2017-Jul 2018 report: Compilation of report. Aug 2018-Jul 2019 report: Collation of information.
7.	HOD Weekly Reports	The Planning team consolidates all weekly reports from all Divisions and provides an executive summary of the work of the Ministry for that one week. It is circulated to all management team members before the HOD meeting starts.
8.	Forestry Statistics	Monthly collation and analysis of national forestry statistics for report compilation and dissemination to relevant stakeholders.
9.	2020-2021 Forestry Business Guide	Developed and published in the first Quarter.

Public Awareness & Promotion

Table 41: Communications and public relations

No.	Subject	Remarks												
1.	Press Release	A total of 52 press releases were compiled and published.												
2.	Newsletters	Four quarterly newsletters (Forestry Focus) were published.												
3.	Ministerial Tours	<p>The late Hon. Minister for Forestry visited the following areas this financial year to champion the national tree planting initiative and create awareness of the work of the Ministry.</p> <table> <tr> <th>Northern Division</th><th>Western Division</th><th>Central/Eastern Division</th></tr> <tr> <td>Seaqqa, Cakaudrove</td><td>Ba catchment area</td><td>Ovalau, Lomaiviti</td></tr> <tr> <td>Navoa, Labasa</td><td>Lololo – to officiate the opening of the Lololo Nursery</td><td>Kadavu</td></tr> <tr> <td></td><td></td><td></td></tr> </table>	Northern Division	Western Division	Central/Eastern Division	Seaqqa, Cakaudrove	Ba catchment area	Ovalau, Lomaiviti	Navoa, Labasa	Lololo – to officiate the opening of the Lololo Nursery	Kadavu			
Northern Division	Western Division	Central/Eastern Division												
Seaqqa, Cakaudrove	Ba catchment area	Ovalau, Lomaiviti												
Navoa, Labasa	Lololo – to officiate the opening of the Lololo Nursery	Kadavu												
4.	Exhibition/Trade shows	The Ministry participated in all Government Services Expos to promote the forestry agenda and educate the general public on the work carried out by the Ministry.												

APPENDICES

APPENDIX 1: AUDITED FINANCIAL STATEMENT FOR AUG 2020-JUL 2021

OFFICE OF THE AUDITOR GENERAL

Promoting Public Sector Accountability and Sustainability through our Audits



Level 1, Modyl Plaza
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Suva. Fii



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Website: www.oag.gov.fj



File: 436/1

28 July 2022

The Honourable Josaia Voreqe Bainimarama
The Prime Minister and Minister for Forestry
Government Buildings
SUVA

Dear Honourable Bainimarama

MINISTRY OF FORESTRY

AUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2021

Audited financial statements for Ministry of Forestry for the year ended 31 July 2021 together with my audit report on them are enclosed.

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

Sairusi Dukuno
ACTING AUDITOR-GENERAL

cc: Mr. Pene Baleinabuli, The Permanent Secretary, Ministry of Forestry.

Encl.

MINISTRY OF FORESTRY
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2021

MINISTRY OF FORESTRY
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2021

Table of Contents

INDEPENDENT AUDITOR'S REPORT	3
MANAGEMENT CERTIFICATE	5
STATEMENT OF RECEIPTS AND EXPENDITURE	6
APPROPRIATION STATEMENT	7
TMA – MANUFACTURING ACCOUNT - TIMBER UTILIZATION DIVISION	8
TMA – TRADING ACCOUNT - TIMBER UTILIZATION DIVISION	9
TMA – PROFIT AND LOSS STATEMENT - TIMBER UTILIZATION DIVISION	10
TMA – BALANCE SHEET - TIMBER UTILIZATION DIVISION	11
STATEMENT OF LOSSES	12
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS	13

OFFICE OF THE AUDITOR GENERAL

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INDEPENDENT AUDITOR'S REPORT

Ministry of Forestry

Report on the Audit of the Financial Statements

I have audited the financial statements of the Ministry of Forestry ("the *Ministry*") which comprises the Statement of Revenue and Expenditure, Appropriation Statement, Statement of Losses, TMA Manufacturing Account, TMA Trading Account, TMA Profit and Loss Statement and TMA Balance Sheet for the financial year ended 31 July 2021, and notes to the financial statements, including a summary of significant accounting policies.

In my opinion, the accompanying financial statements of the Ministry are prepared, in all material respects, in accordance with the Financial Management Act 2004 and Finance Instructions 2010 and Finance (Amendment) Instructions 2016.

Basis for Opinion

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

Responsibility of the Management and those charged with governance for the financial statements

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

The Management are responsible for overseeing the Ministry's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISA will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

Auditor's Responsibilities for the Audit of the Financial Statements (con't)

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

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

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

Sairusi

Sairusi Dukuno
ACTING AUDITOR-GENERAL



Suva, Fiji
28 July 2022

**MINISTRY OF FORESTRY
MANAGEMENT CERTIFICATE
FOR THE YEAR ENDED 31 JULY 2021**

We certify that these financial statements:

- (a) fairly reflect the financial performance of the Ministry for the year ended 31 July 2021; and
- (b) have been prepared in accordance with the requirements of the Financial Management Act 2004, the Finance Instructions 2010 and Finance (Amendment) Instructions 2016.



.....
Mr. Pene Baleinabuli
Permanent Secretary
Ministry of Forestry

Date:

27/07/22
.....



.....
Maciu Waqa
Manager Finance
Ministry of Forestry

Date:

27/7/2022
.....

MINISTRY OF FORESTRY
STATEMENT OF RECEIPTS AND EXPENDITURE
FOR THE YEAR ENDED 31 JULY 2021

	Note	2021 (\$)	2020 (\$)
REVENUE			
STATE REVENUE			
Native Timber Measurement		264,615	197,783
AGENCY REVENUE			
Miscellaneous Revenue		99,256	143,331
TOTAL REVENUE	3 (a)	363,871	341,114
EXPENDITURE			
OPERATING EXPENDITURE			
Established Staff	3 (b)	3,785,747	4,083,660
Government Wage Earners	3 (c)	1,380,363	1,595,526
Travel & Communication	3 (d)	400,322	707,627
Maintenance and Operations	3 (e)	1,203,649	1,133,067
Purchase of Goods & Services	3 (f)	1,048,148	1,005,314
Operating Grants & Transfers	3 (g)	831,995	855,238
Special Expenditure	3 (h)	760,155	1,244,116
TOTAL OPERATING EXPENDITURE		9,410,379	10,624,548
CAPITAL EXPENDITURE			
Capital Construction		2,871,506	1,908,207
Capital Purchases		1,146,212	395,983
TOTAL CAPITAL EXPENDITURE	3 (i)	4,017,718	2,304,190
Value Added Tax		458,312	340,804
TOTAL EXPENDITURE		13,886,409	13,269,542

**MINISTRY OF FORESTRY
APPROPRIATION STATEMENT
FOR THE YEAR ENDED 31 JULY 2021**

SEG	Item	Budget Estimate (\$)	Appropriation Changes (Note 4) (\$)	Revised Estimate (\$)	Actual Expenditure (\$)	Lapsed Appropriation (\$)
	Operating Expenditure					
1	Established Staff	4,135,575	(86,981)	4,048,594	3,785,747	262,847
2	Government Wage Earners	1,457,608	86,981	1,544,589	1,380,363	164,226
3	Travel & Communication	363,356	53,500	416,856	400,322	16,534
4	Maintenance & Operations	1,307,070	22,273	1,329,343	1,203,649	125,694
5	Purchase of Goods & Services	1,082,659	(17,570)	1,065,089	1,048,148	16,941
6	Operating Grants & Transfers	928,907	(57,930)	870,977	831,995	38,982
7	Special Expenditure	804,935	(273)	804,662	760,155	44,507
	Total Operating Expenditure	10,080,110	-	10,080,110	9,410,379	669,731
	Capital Expenditure					
8	Capital Construction	3,388,078	250,468	3,638,546	2,871,506	767,040
9	Capital Purchases	1,510,000	(250,468)	1,259,532	1,146,212	113,320
	Total Capital Expenditure	4,898,078	-	4,898,078	4,017,718	880,360
13	Value Added Tax	716,031	-	716,031	458,312	257,719
	TOTAL EXPENDITURE	15,694,219	-	15,694,219	13,886,409	1,807,810

MINISTRY OF FORESTRY
TMA – MANUFACTURING ACCOUNT - TIMBER UTILIZATION DIVISION
FOR THE YEAR ENDED 31 JULY 2021

	2021 (\$)	2020 (\$)
Opening Raw Materials	13,520	74,691
<i>Add:</i> Purchases	-	-
	13,520	74,691
<i>Less:</i> Closing Raw Materials	6,774	13,520
Raw Materials Used	6,746	61,171
<i>Add:</i> Direct Labour	-	-
Cost of Goods Manufactured transferred to Trading Account	6,746	61,171

MINISTRY OF FORESTRY
TMA – TRADING ACCOUNT - TIMBER UTILIZATION DIVISION
FOR THE YEAR ENDED 31 JULY 2021

	2021 (\$)	2020 (\$)
Sales	196,037	102,315
	<u>196,037</u>	<u>102,315</u>
Opening Finished Goods	23,588	45,323
Add: Cost of Manufactured Goods	6,746	61,171
	<u>30,334</u>	<u>106,494</u>
Less: Closing Finished Goods	7,122	23,588
Cost of Goods Sold	<u>23,212</u>	<u>82,906</u>
Gross Profit/(Loss) transferred to Profit & Loss Statement	<u>172,825</u>	<u>19,409</u>

MINISTRY OF FORESTRY
TMA – PROFIT AND LOSS STATEMENT - TIMBER UTILIZATION DIVISION
FOR THE YEAR ENDED 31 JULY 2021

	2021	2020
	(\$)	(\$)
Income		
Gross profit / (loss) transferred from Trading Account	172,825	19,409
Total Income	<u>172,825</u>	<u>19,409</u>
Expenses		
Maintenance & Operations	25,360	200,874
Total Expenses	<u>25,360</u>	<u>200,874</u>
Net Loss	<u>147,465</u>	<u>(181,465)</u>

MINISTRY OF FORESTRY
TMA – BALANCE SHEET - TIMBER UTILIZATION DIVISION
AS AT 31 JULY 2021

	2021	2020
	(\$)	(\$)
Assets		
Cash at Bank	1,390,359	1,228,107
Raw Materials	6,774	13,520
Accounts Receivable	73,857	73,857
Finished Goods	7,122	23,588
Total Assets	1,478,112	1,339,072
Liabilities		
Accounts Payable	-	9,631
Deferred Income	2,198,548	2,198,548
Deposits & Deductions	(23,556)	(24,762)
Total Liabilities	2,174,992	2,183,417
Net Assets	(696,880)	(844,345)
Equity		
TMA Accumulated Loss	(1,074,191)	(892,726)
Net Profit/ (Loss) for the period	147,465	(181,465)
	(926,726)	(1,074,191)
Transfers to Consolidated Fund	229,846	229,846
Total Equity	(696,880)	(844,345)

**MINISTRY OF FORESTRY
STATEMENT OF LOSSES
FOR THE YEAR ENDED 31 JULY 2021**

Loss of Money

There was no loss of money recorded for the financial year ended 2021

Loss of Revenue

There was no loss of revenue recorded for the financial year ended 2021

Loss (other than money)

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

Assets	2021 (\$)
Motor vehicles	-
Computer Equipment	-
Field Equipment	28,261
Total	28,261

MINISTRY OF FORESTRY
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2021

NOTE 1 REPORTING ENTITY

The Ministry of Forestry is responsible for the formulation of policies to ensure the long-term sustainability of Fiji's forest resources, stimulate economic growth within Forestry sector and improve livelihoods for communities that rely on these resources.

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

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

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

NOTE 2 STATEMENT OF ACCOUNTING POLICIES

a) Basis of Accounting

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

The financial statements are presented in accordance with the requirements of Section 71(1) of the Finance Instructions 2010 and Financial Management Act 2004. The preparation and presentation of a Statement of Assets and Liabilities is not required under the current government policies, except for that of the Trading and Manufacturing Accounts.

b) Accounting for Value Added Tax (VAT)

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

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

c) Comparative Figures

Where necessary, amounts relating to prior years have been reclassified to facilitate comparison and achieve consistency in disclosure with current year amounts.

d) Revenue Recognition

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

MINISTRY OF FORESTRY

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED 31 JULY 2021

NOTE 3 SIGNIFICANT VARIATIONS

For the purpose of comparison of results for the twelve-month period covering 01st August 2020 to 31st July 2021 with the corresponding financial period for the twelve months from 01st August 2019 to 31st July 2020.

- (a) The total revenue collected for the financial year 2020/2021 was \$363,871 compared to \$341,114 in 2019/2020. The increase in revenue of \$22,757 or 7% was due to the strengthening of revenue collection in the Ministry due to the boost the forestry sector in exporting sawn timber and other forests products overseas.
- (b) The established staff cost was \$3,785,747 for the financial year 2020/2021, compared to \$4,083,660 in 2019/2020. The decrease in established cost of \$297,913 or 7% decrease was due to the realignment of positions in the staff establishment of the Ministry as approved by the Ministry of Economy.
- (c) The government wage earners staff cost was \$1,380,363 for the financial year 2020/2021, compared to \$1,595,526 in 2019/2020. The decrease in government wage earners cost of \$215,163 or 13% decrease was due to the realignment of positions in the Government Wage Earners of the Ministry as approved by the Ministry of Economy.
- (d) The travel & communication cost was \$400,322 for the financial year 2020/2021, compared to \$707,627 in 2019/2020. The decrease in travel & communication costs of \$307,305 or 43% decrease was due to reduction in forestry operational activities as bulk of the operation in the Divisions has been focussed on the COVID Operations.
- (e) The maintenance & operation cost was \$1,203,649 for the financial year 2020/2021, compared to \$1,133,067 in 2019/2020. The increase in maintenance & operation cost of \$70,582 or 6% increase was due to the increase maintenance vehicles as 36 of the Ministry vehicles been released for the COVID 19 operation. There was an increase in area of operation during the COVID 19, thus contributing to increase in usage of fuel and oil also contributes to increase in maintenance costs for our vehicles.
- (f) The purchase of goods and services cost was \$1,048,148 for the financial year 2020/2021, compared to \$1,005,314 in 2019/2020. The increase in purchase of goods and services cost of \$42,834 or 4% increase as due to the realignment of activities in the revised budget for the COVID 19.
- (g) The operating grants & transfers cost was \$831,995 for the financial year 2020/2021, compared to \$855,238 in 2019/2020. The decrease in operating grants & transfers cost of \$23,243 or 3% decrease was due to the realignment of activities in the revised budget for the COVID 19.
- (h) The special expenditure cost was \$760,155 for the financial year 2020/2021, compared to \$1,244,116 in 2019/2020. The decrease in special expenditure cost of \$483,961 or 39% decrease was due to the realignment of activities in the revised budget for the COVID 19. There was a decrease in special expenditures activities as funds are redirected to COVID 19 since March, 2020.
- (i) The capital expenditure costs were \$4,017,718 for the financial year 2020/2021, compared to \$2,304,190 in 2019/2020. The increase in capital expenditure cost of \$1,713,528 or 74% increase was due to the realignment of activities in the revised budget for COVID-19. Major purchase for the capital expenditure consists of purchase of one 4x4 twin cab for Gau Pine Scheme, purchase of one 5 tonne truck for Gau Pine Scheme and purchase of 2 post peeler machine for the maritime pine.

MINISTRY OF FORESTRY

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 JULY 2021

NOTE 4 APPROPRIATION MOVEMENTS

Appropriation movements were made through virement as follows:

Virement No.	From	To	Amount (\$)	Approved by
DV3201	SEG 5	SEG 5	33,000	Permanent Secretary for Forestry
DV3202	SEG 5	SEG 5	12,000	
DV3203	SEG 4	SEG 3	57,797	
DV3204	SEG 3	SEG 4	5,490	
	SEG 4		16,353	
	SEG 5		21,222	
	SEG 6		50,000	
	SEG 7		273	
DV3205	SEG 6	SEG 3	746	
		SEG 4	3,535	
		SEG 5	3,649	
V32001	SEG 9	SEG 8	250,468	Permanent Secretary for Economy
V32002	SEG 2	SEG 1	86,984	

NOTE 5 SIGNIFICANT APPROPRIATION SAVINGS

Significant savings for the financial year ended 31 July 2021 are as follows:

Ref	Expenditure (\$)	Revised Budget (\$)	Actual Expenditure (\$)	Savings (\$)	Percentage Savings (%)
a)	Established Staff	4,048,594	3,785,747	262,847	6%
b)	Government Wage Earners	1,544,589	1,380,363	164,226	11%
c)	Maintenance and Operations	1,329,343	1,203,649	125,694	9%
d)	Special Expenditure	804,662	760,155	44,507	6%
e)	Capital Construction	3,638,546	2,871,506	767,040	21%
f)	Capital Purchases	1,259,532	1,146,212	113,320	9%

- The savings in Established Staff of \$262,847 was due to the unfilled vacant positions including Ministers salary and the realignment of positions as approved by Ministry of Economy.
- The savings in Government Wage Earners of \$164,226 was due to the unfilled of vacant positions and also the realignment of positions as approved by Ministry of Economy.
- The savings in Maintenance and Operations of \$125,694 was due to the COVID 19 restrictions that had affected the Ministry's operations. Most of the activities and outputs in the Ministry of Forestry Annual Operation Plan were not achieved.
- The savings in Special Expenditure of \$44,507 was due to the COVID 19 restrictions that affected the International Tropical Timber Organisation (ITTO) Funds contribution allocation thus denying staff to travel abroad and attend the ITTO meetings, and other overseas purchases that were also affected.

MINISSTRY OF FORESTRY

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 JULY 2021**

- e) There was a significant savings in Capital Construction of \$767,040 as a result of the impacts of COVID 19 hence the Consultancy payments for the RED PLUS Fiji Component and Sandalwood Project were affected significantly.
- f) The savings in Capital Purchases of \$113,320 for the Lakeba Pine Scheme is a result of the delay in the carting of machines to Lakeba and the maritime islands. There were purchases of a wheel loader, a 4x4 twin cab and 2 post peeler machines for the Maritime Pine Development.

NOTE 6 TRADING AND MANUFACTURING ACTIVITY

There was a net profit of \$147,465 for the financial year 2020/2021 compared to the loss in (\$181,465) in 2019/2020. This was due to the increase in activities carried at the saw mill despite lots of expenditures carried in the maintenance of the aging saw mill.

NOTE 7 STANDARD LIABILITY GROUP (SLG) 84

The Ministry's SLG account comprises of two accounts:

1. Community based Restoration & Sustainable Management of Vulnerable Forests in the Rewa Delta- Funds were released from the Ministry of Economy amounting to \$144,978 to be used in the reforestation of the Tailevu and Rewa Delta Projects. The balance of funds amounting to \$56,288 was returned to Ministry of Economy at the end of the financial year.
2. Sandalwood Project- Funds were released from the Ministry of Economy amounting to \$57,957 to be used in the sandalwood inventory analysis, market research tree assessment study for new farmers and project monitoring. The balance of funds amounting to \$7,404 was returned to Ministry of Economy at the end of the financial year.



Comments and enquiries should be directed to:

The Permanent Secretary for Forestry

Ministry of Forestry

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