

MAHOGANY BILL 2025
(BILL NO. 45 OF 2025)

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BILL NO. 45 OF 2025**A BILL**

FOR AN ACT TO PROVIDE FOR THE EQUITABLE AND SUSTAINABLE GROWTH
AND DEVELOPMENT OF THE MAHOGANY INDUSTRY AND FOR RELATED
MATTERS

ENACTED by the Parliament of the Republic of Fiji —

PART 1 — PRELIMINARY*Short title and commencement*

1.—(1) This Act may be cited as the Mahogany Act 2025.

(2) This Act comes into force on a date or dates appointed by the Minister by notice in the Gazette.

Interpretation

2.—(1) In this Act, unless the context otherwise requires —

“annual report” means the Trust’s annual report required under section 11;

“audit report” means the report on the audit of the annual report under section 12;

- “beneficiaries” means all members of every land-owning unit of iTaukei land and the government in respect of State land lease to the Company for mahogany plantation forests throughout Fiji, and include their representatives whose names are registered in the Register of Units maintained by the Trust secretariat;
- “business plan” means the business plan of the Trust as described in Schedule 2;
- “Company” means the Fiji Hardwood Corporation Pte Limited;
- “Conservator” means the Conservator of Forests as defined in the Forestry Act 2025;
- “Forum” means the Mahogany Forum established under section 14;
- “court” means a court of competent jurisdiction established under the Constitution of the Republic of Fiji;
- “forest-based company” means a company owned by a forest-based Trust;
- “forest-based trust” means a Trust for which the landowners in any forest area are the beneficiaries;
- “Higher Salaries Commission” means the Commission established under section 3 of the Higher Salaries Commission Act 2023;
- “implementation plan” means the implementation plan prepared pursuant to section 6(2)(b);
- “industry” means the mahogany industry in Fiji;
- “iTaukei” has the same meaning under section 2 of the iTaukei Affairs Act 1944;
- “iTaukei Land Trust Board” means the statutory body established under the iTaukei Land Trust Act 1940;
- “Landowner Equitable Benefit Fund” means the Landowner Equitable Benefit Fund established under section 33;
- “landowners” in relation to mahogany plantation land means —
- (a) in relation to iTaukei land, the *mataqali* or other division or subdivision of iTaukei whose iTaukei land it is; or
 - (b) in relation to State land, the State;
- “log” means a segment of a mahogany tree on mahogany plantation land that has been felled and cut for commercial or industrial purposes;
- “mahogany plantation land” means any land owned or leased for the purpose of growing mahogany trees;
- “Minister” means the Minister responsible for forestry;
- “Ministry” means the Ministry responsible for forestry;

“State land” has the same meaning under section 2 of the State Lands Act 1945;
“statement of intent” means the statement of intent of the Trust referred to in Schedule 2;

“timber” means any wood at any stage after a tree has been felled, and includes materials such as sawn timber, veneer, poles, posts, fuel wood, charcoal, woodchips, wood pulp and small wood items such as carvings;

“Tribunal” means the Mahogany Tribunal established under section 21;

“Trust” means the Fiji Mahogany Trust;

“Trust Rules” means Fiji Mahogany Trust Rules 2025; and

“Trustee” means a trustee of the Fiji Mahogany Trust who is elected, appointed, or substituted by the beneficiaries in the manner provided in the Trust Rules.

Act to bind the State

3. This Act binds the State.

Objectives

4. The objectives of this Act are to—

- (a) establish a legal framework for the equitable and sustainable growth and development of the industry;
- (b) establish the Forum and the Tribunal, in addition to the Company and the Trust, as institutions of the industry;
- (c) provide for the financing of the Forum, the Tribunal, the Company and the Trust and equitable benefit sharing for the landowners;
- (d) promote principles of governance and management of the Company and the Trust;
- (e) prescribe standard provisions and processes, and to co-ordinate activities of all sections of the industry, in order to promote and manage goodwill and harmony between them;
- (f) encourage and provide means for conciliation with a view to prevention and settlement of all disputes within the industry by amicable agreement; and
- (g) provide a means for preventing and settling disputes within the industry which are not resolved by amicable agreement with maximum expedition and minimum legal form and technicality.

Principles

5. This Act must be implemented in accordance with the following principles—

- (a) inclusive participation, including active multi-stakeholder engagement in vital industry decisions and recognition and respect for iTaukei landowners’ rights to traditional lands and resources;

- (b) transparency and accountability, including clearly defined roles and responsibilities for all actors, and established mechanisms for monitoring, evaluating and regular public reporting of performance and fulfilment of roles and responsibilities;
- (c) legal certainty, including the development of clear and enforceable legal frameworks, consistent and equitable application of laws, and provision of accessible justice for dispute resolution;
- (d) sustainable management, including the adoption of a long-term, holistic approach to equitable and sustainable strategies and practices, having regard to—
 - (i) building and maintaining an economically viable and sustainable industry;
 - (ii) managing the impact on the environment; and
 - (iii) building and maintaining trust and a mutually beneficial relationship with iTaukei landowners;
- (e) effective governance, including the promotion of interagency co-ordination and stakeholder collaboration; and
- (f) equitable benefit sharing, including ensuring equitable distribution of mahogany forest resource benefits, addressing equitable and social inequalities related to access and use of mahogany forest resources, and consideration of intergenerational equity in resource utilisation.

PART 2—FIJI HARDWOOD CORPORATION PTE LIMITED

Purpose of Company

6.—(1) The purpose of the Company is the equitable and sustainable development of the industry, including the planting, re-planting, management, harvesting, processing and marketing of mahogany forests, logs and timber.

(2) In achieving its purpose, the Company must—

- (a) actively encourage landowners participation in the equitable and sustainable development of the mahogany industry including harvesting, processing, and marketing, of mahogany forests in Fiji and abroad;
- (b) at the beginning of each calendar year, consult and work together with the Ministry and the Trust, in designing and implementing an implementation plan to ensure that forest-based trusts, forest-based companies and landowners, are fully informed, consulted, and prepared to take advantage of any business opportunities created by, or related to, the Company's annual business plan;
- (c) on request from either the Trust, any forest-based trust, any forest-based company, or any landowners, provide to them a copy of the Company's statement of corporate intent;

- (d) work together with the Ministry, Trust, forest-based trusts, forest-based companies, and the landowners to enable them to take advantage of any potential business opportunity arising from, or related to, the Company's statement of corporate intent, or activities, including, without limitation, providing the Trust, forest-based trusts, forest-based companies, and landowners with all relevant information to enable them to take advantage of those opportunities;
- (e) not present any potential business opportunity to any party other than the Trust, or forest-based trusts, or forest-based company, or landowner unless, the Trust, forest-based trusts, forest-based company, and the landowner have first been presented with the same potential business opportunity and—
 - (i) advised the Company in writing that they will not be taking up the potential business opportunity; or
 - (ii) have not advised the Company of their intention to take up the potential business opportunity within 60 days from the date of receipt of that notice of the potential business opportunity by the Trust, forest-based trust, forest-based company, or landowner; and
- (f) perform such other function or duty as may be assigned to it by this Act.

Levy, collection and distribution of charges

7. The Company must, as prescribed by regulations, levy, collect, and distribute the charges on the proceeds of sale of mahogany logs in accordance with sections 10, 19, 28 and 34(a).

PART 3—FIJI MAHOGANY TRUST

Fiji Mahogany Trust

8. The Fiji Mahogany Trust established under the Fiji Mahogany Act 2003 and its Trust Rules continue in existence.

Principles of governance and responsible management

9. The Trust must comply with the principles of governance and responsible management set out in Schedule 2, and the Trustees must perform their functions and duties under this Act and the Trust Rules in a manner that advances the principles of governance and responsible management.

Financial provision

10.—(1) The administrative expenses of the Trust and the allowances paid under the Trust Rules must, when audited and certified under subsection (2), be paid out of a charge on the proceeds of sale of mahogany logs.

(2) The Trust must keep proper accounts and other records of all moneys received and expended by it, including the Landowner Equitable Benefit Fund, and such accounts must be audited by a person appointed by the Minister.

Annual report of Trust

11.—(1) The Trust must, as soon as possible after the end of its financial year, furnish the Minister responsible for public enterprises and the Office of the Auditor-General with a report containing—

- (a) an account of its activities during the previous 12 months; and
 - (b) a statement of accounts of the Trust audited in accordance with section 10(2).
- (2) The Trust must make its report available to the beneficiaries of the Trust.
- (3) A copy of the annual report must be furnished to the Ministry.

Audit of annual report of Trust

12. The Ministry responsible for public enterprises must, with the Office of the Auditor-General, within one calendar month of receiving the Trust's annual report, furnish an audit of the annual report which must—

- (a) verify the veracity and fairness of the statements made;
- (b) assess the Trust's and its Trustee's compliance with relevant laws and regulations;
- (c) assess the activities and outcomes of the Trust's activities against the statement of intent and business plan;
- (d) express their opinion on the Trust's performance in terms of meeting its objectives and purposes in each activity undertaken and outcome produced;
- (e) outline unusual trends, relationships, or outcomes, that may indicate potential misstatements or shortcomings of the Trust's activities; and
- (f) recommend changes to systems, checks and balances, reporting, plans, monitoring, management, enforcement, and other, in order to improve the Trust's performance and its ability to meet its objectives and purposes.

Audit of annual report to be furnished at annual general meeting of landowners

13.—(1) In each calendar year, the Trust must obtain a copy of the audit report before calling an annual general meeting of landowners under the Trust Rules.

(2) The Trust must make a copy of the audit report available to the Minister and to landowners not less than 14 days before each annual general meeting.

PART 4—MAHOGANY FORUM*Mahogany Forum*

14.—(1) This section establishes the Mahogany Forum which consists of—

- (a) the chairperson of the Board of Trustees of the Trust as the chairperson;
- (b) the Chief Executive Officer of the Company or his or her representative;
- (c) one representative of the iTaukei landowners from the Northern Division;

- (d) one representative of the iTaukei landowners from the Central Division;
- (e) one representative of the iTaukei landowners from the Western Division;
- (f) one representative representing private commercial companies engaged in felling, purchasing of logs, processing, value adding or export of mahogany timber in Fiji;
- (g) the Chief Executive Officer of Investment Fiji or his or her representative;
- (h) the Conservator of Forests or his or her representative; and
- (i) a member appointed by the Minister to represent the Government.

(2) A quorum of the Forum is 5 members.

Meetings of Forum

15.—(1) Subject to subsection (2), the Forum must meet at least 2 times a year, and hold meetings at the place and time as the chairperson may determine.

(2) The chairperson may at any time convene a meeting of the Forum and must, upon receiving a notice from the Minister or Tribunal requesting that a meeting of the Forum be held for any purpose specified in the notice, convene a meeting of the Forum for that purpose within 14 days of the receipt of the notice.

Officers of Forum

16. The Forum may appoint, contract, or employ a secretary and such other officers, or advisors as it considers necessary for the proper carrying out of its functions under this Act.

Remuneration and allowances

17.—(1) The remuneration payable to the officers and advisors of the Forum is to be determined by the Forum.

(2) The members and officers of the Forum are entitled to the allowances for attending meetings, travelling, and subsistence as determined by the Forum with the approval of the Minister responsible for public enterprises and the Minister.

Functions of Forum

18. The functions of the Forum are to—

- (a) foster, encourage, assist, and host open dialogue and co-operation between any and all persons, landowners, groups, associations, entities, departments and authorities in the industry;
- (b) co-ordinate meetings between, and the activities of, any and all persons, landowners, groups, associations, entities, departments, authorities, and the like, in the industry so as to foster understanding, good relations, and co-operation between them;
- (c) liaise with, and to make representations to, the Government, and any Government department, authorities, and any other associations, bodies, or entities on any matter relating to the industry;

- (d) discuss and advise upon any matter relating to the industry which has been referred to it by the Minister, the Tribunal, or Chairperson of the Forum;
- (e) assess and make recommendations to the Minister as to the charges to be placed on the proceeds of sale of mahogany logs mentioned in sections 10, 19, 28 and 34(a);
- (f) determine a process and procedure to hear and to attempt to resolve disputes between any persons, landowners, groups, associations, entities, departments, authorities, and the like, in the industry;
- (g) direct any persons, landowners, groups, associations, entities, departments, authorities, and the like, in the industry to follow such dispute resolution processes and procedures that the Forum may determine under paragraph (f);
- (h) refer any unresolved disputes to the Tribunal; and
- (i) perform such other function as may be assigned to it by this Act.

Financial provision for Forum

19.—(1) The Forum must keep proper accounts and other records of all moneys received and expended by it, and such accounts must be audited by a person appointed by the Minister.

(2) The administrative expenses of the Forum, and the allowances paid under this Act must be paid out of a charge on the proceeds of the sale of mahogany logs.

Annual report of Forum

20.—(1) The Forum must, as soon as practicable, after the end of its financial year, furnish the Minister with a report containing—

- (a) an account of its activities during the previous 12 months; and
- (b) a statement of accounts of the Forum audited in accordance with section 19(1).

(2) The Forum must make its report available to the public.

PART 5—MAHOGANY TRIBUNAL

Mahogany Tribunal

21.—(1) This section establishes the Mahogany Tribunal which consists of—

- (a) a chairperson, appointed by the chairperson of the Judicial Services Commission, who must be a person qualified to be appointed a judge of the High Court, or be a person with extensive legal experience in commercial law, land law, and iTaukei affairs;
- (b) a person appointed by the Minister, who must have extensive experience in the industry, and who must not be a public servant, officer or employee of the Trust or the Company; and

- (c) a person appointed by the Minister responsible for iTaukei affairs, who has extensive experience in national commercial development and strategic planning, and who must not be a public servant or an officer or employee of the Trust or the Company.

(2) A member of the Tribunal holds office for a term of 3 years and is eligible for re-appointment.

(3) Where any Tribunal member appointed under subsection (1) is for any reason unable to perform any of its functions, either generally or in relation to any particular matter, the person appointing that Tribunal member may appoint one or more persons qualified to be appointed under that subsection, to perform any of those functions, either generally or in relation to a particular matter.

(4) A person appointed under subsection (3) is to act as a Tribunal member until expiration of his or her period of appointment or until his or her appointment is revoked by the person that appointed him or her.

(5) The Tribunal may obtain the advice of experts when making a determination on any matter before it.

Seal of Tribunal

22. The Tribunal must have an official seal which must be judicially noticed by all courts, judges, and persons acting judicially.

Officers of Tribunal

23. The Tribunal may appoint, contract, or employ on such terms as it may determine, such officers, or advisors as it considers necessary for the purpose of enabling the Tribunal to carry out its functions under this Act.

Remuneration and allowances

24. The Higher Salaries Commission is to determine the remuneration and allowances payable to—

- (a) a person appointed under section 21(1) or 21(3) as a member of the Tribunal; and
- (b) any other officer or advisor of the Tribunal appointed, contracted, or employed under section 23.

Protection of members and officers

25. The members of the Tribunal appointed under section 21(1) or 21(3) to perform all or any of the functions of the Tribunal under this Act and any officer of the Tribunal, is not personally liable to any action, claim, or demand in respect of any matter or thing done or omitted to be done by any of them under this Act.

Functions and powers of Tribunal

26. The Tribunal has the functions and powers to—

- (a) hear and determine any unresolved disputes which have been referred to it under section 18(1)(h);

- (b) determine the process and procedure for hearing and resolving disputes;
- (c) hear and determine any question as to the interpretation and application of this Act;
- (d) hear and determine any other matter in pursuance of this Act; and
- (e) perform such other functions as are assigned to the Tribunal by this Act.

Tribunal to keep itself informed of matter pertaining to industry

27. The Tribunal must keep itself informed of all matters pertaining to the industry, and for that purpose may—

- (a) direct the Forum to make inquiries as it may consider necessary or expedient; and
- (b) request the Forum or the Company to furnish it with such information, or to carry out and report to it on such investigations, as it may consider necessary or expedient.

Financial records of Tribunal

28.—(1) The Tribunal must keep proper accounts and other records of all moneys received and expended by it, and such accounts must be audited by a person appointed by the Minister.

(2) The administrative expenses of the Tribunal, including all remuneration and allowances paid under this Act must be paid out of a charge on the proceeds of the sale of mahogany logs.

Annual report of Tribunal

29.—(1) The Tribunal must, as soon as practicable after the end of its financial year, furnish the Minister with a report containing—

- (a) an account of its activities during the previous 12 months; and
- (b) a statement of accounts of the Tribunal audited in accordance with section 28(1).

(2) The Tribunal must make its report available to the public.

Restriction on court proceedings

30.—(1) No complainant in any dispute between or within any sections of the industry, may commence proceedings in any court regarding that dispute unless—

- (a) the dispute has been submitted to the Tribunal; and
- (b) the Tribunal has issued a final decision, or determined that it lacks jurisdiction.

(2) A court must dismiss any proceedings commenced in contravention of subsection (1), unless the complainant demonstrates the Tribunal's process was fundamentally unfair.

Exception to restriction on court proceedings

31. Section 30 does not apply to—

- (a) criminal proceedings;
- (b) application for judicial review of Tribunal decisions on grounds of procedural unfairness, illegality, or irrationality; and
- (c) disputes explicitly excluded from the Tribunal’s jurisdiction by regulation.

Appeal

32.—(1) A party dissatisfied with a Tribunal decision may apply to the High Court for an application of judicial review of the Tribunal’s decision within 8 weeks of the decision.

(2) The High Court may determine an application for judicial review in accordance with established common law principles and may only review Tribunal decisions on grounds of procedural unfairness, illegality, or irrationality, and not rehear the merits of the dispute.

(3) An application for a judicial review of the Tribunal’s decision does not act as a stay of the decision.

PART 6—LANDOWNER EQUITABLE BENEFIT FUND

Establishment of Landowner Equitable Benefit Fund

33. This section establishes the Landowner Equitable Benefit Fund which must be administered by the Trust in accordance with the Trust Rules.

Source of Fund

34. The Landowner Equitable Benefit Fund consists of—

- (a) a percentage of proceeds of sales of mahogany logs by the Company determined pursuant to section 36;
- (b) grants, donations, or contributions approved by the Trust;
- (c) income from investment of the assets of the fund; and
- (d) any other monies appropriated by the Government for the fund.

PART 7—MISCELLANEOUS

Mahogany not on mahogany plantation land

35. Any mahogany that is growing on land that is not mahogany plantation land may be harvested or sold by the owner of that land.

Regulations

36.—(1) The Minister may make regulations to give effect to the provisions of this Act.

(2) The Minister may, after considering recommendations provided by the Forum pursuant to section 18(e), make regulations prescribing the charges on proceeds of the sale of mahogany logs referred to under sections 10, 19, 28 and 34(a).

Transfer of shareholding in Company to Trust

37. Upon the commencement of this Act, the Government must execute a transfer of 20% of the shares in the capital of the Company to the Trust.

Repeals and savings

38.—(1) The Mahogany Industry Development Act 2010 is repealed except for section 12(1) and paragraphs 2, 3, 4 and 5 of Schedule 4.

(2) The Mahogany Industry (Licensing and Branding) Act 2011 is repealed.

(3) Schedule 2 to the Environment Management Act 2005 does not apply to any activity which is licensed or certified by the Conservator, under the Forestry Act 2025.

Consequential amendments

39. The Trust Rules are amended as set out in Schedule 1.

Appointment of directors to board of Company

40.—(1) The Minister may recommend the appointment of up to 2 directors to the board of directors of the Company to the Minister responsible for public enterprises, and may, at any time, recommend the removal or replacement of any one or more of those directors from the board of directors of the Company, to the Minister responsible for public enterprises.

(2) The Minister must ensure that any director recommended for appointment pursuant to subsection (1) has the requisite skills, knowledge, experience, and professional qualifications to actively assist and enable the Company to meet all its duties, obligations, purposes and objectives under this Act.

Application of Forestry Act 2025

41. In the event of there being no provision in this Act to meet the circumstances arising in any matter, where relevant, the provisions of the Forestry Act 2025 apply.

SCHEDULE 1

(Section 39)

CONSEQUENTIAL AMENDMENTS

The Fiji Mahogany Trust Rules 2005 is amended by —

- (a) in rule 2 after the definition of “directors”, inserting the following new definition—

““Fiji Mahogany Act” includes any subsequent amendments and any Act of parliament which supersedes it.”;
- (b) in rule 4 after paragraph (e), inserting the following new paragraph—

“(f) to do all such other things as may be necessary to fulfil its purposes and objectives listed in these Trust Rules and any related Act or Regulation.”;
- (c) in rule 5(1), inserting the following new subparagraph—

“(c) two independent Trustees to be appointed by the Minister of Public Enterprises at his or her discretion to ensure independent oversight and direction in relation to the exercise by the Trustees of their duties and powers in accordance with these Trust Rules and any related Act or Regulation.”;
- (d) in rule 5(7)(h), deleting “.” and substituting “; and”;
- (e) in rule 5(7), inserting the following new subparagraph—

“(i) he or she has the requisite skills, knowledge, experience, and professional qualifications to actively assist and enable the Trust to meet all its duties, obligations, purposes, and objects, under the Act and these Trust Rules.”;
- (f) in rule 5(8)(g), deleting “.” and substituting “; and”;
- (g) in rule 5(8) after subparagraph (g), inserting the following new subparagraphs—

“(h) is removed from office by the station beneficiaries or the Minister who elected him or her under Rule 5(1) of these Trust rules; and

(i) in the case of the chairperson of the Board of Trustees, has the commercial private sector experience necessary to enable the Trust to meet all its duties, obligations, purposes, and objects, under the Act and these Rules.”;
- (h) in rule 6(g) deleting “.” and substituting “; and”;

- (i) in rule 6 after paragraph (g), inserting the following new paragraph—
 - “(h) to engage, appoint, or employ on such terms as it may determine, such professional advisors, or officers, as it may consider necessary for the purpose of enabling the Trust to carry out its functions, and to meet its duties, obligations, purposes, and objects under the Act and these Rules.”;
- (j) in rule 18, deleting paragraph (4) and substituting the following—
 - “(4) The members of the Board of Trustees must, with the approval of the Minister responsible for public enterprises, appoint from amongst themselves a chairperson who, unless earlier removed by the Board by a resolution by secret ballot of not less than 50% of all Trustees, must hold office for the remaining term of his or her appointment as a Trustee.”; and
- (k) in rule 32, deleting paragraph (1) and substituting the following—
 - “(1) The Board of Trustees must—
 - (a) appoint to the Board of the Company as many Directors as permitted under rule 7(1)(b) and otherwise in accordance with the Articles of Association of the Company; and
 - (b) only appoint Directors that have the requisite skills, knowledge, experience, and professional qualifications to actively assist and enable the Company to meet all its duties, obligations, purposes, and objects, under the Act and any other written law.”.

SCHEDULE 2
(Section 9)

PRINCIPLES OF GOVERNANCE AND RESPONSIBLE MANAGEMENT

1. The general principles governing the performance of functions and exercise of powers of the Trust are—
 - (a) the Trustees and the Trust’s officers must be competent, honest, transparent, and accountable;
 - (b) the Trust must perform its duties and functions fully, efficiently, and in a timely manner;
 - (c) the Trust must identify its core purpose and intent on how to achieve its core purpose; and
 - (d) the Trust must be subject to rigorous monitoring, approval, and review.
2. The Trust must strive to achieve its core purpose and ensure that it not do anything that is inconsistent with achieving its core purpose.
3. The Trust must have, at the start of each financial year, provide a statement of intent, in respect of that financial year and the following 2 financial years, containing—
 - (a) a statement of goals, and a statement demonstrating how those goals are consistent with the core purpose of the Trust;
 - (b) a scope of activities that the Trust intends to undertake to achieve its goals, and a description of the nature and scope of those activities;
 - (c) a statement or summary of the strategies of the Trust for achieving its goals;
 - (d) a statement or summary of targets or benchmarks that the Trust will use to measure its performance against its goals; and
 - (e) a statement of anticipated income and expenses of the Trust in carrying out its activities.
4. The Trust must make the statement of intent available to the Minister, the Minister responsible for public enterprises, the Minister responsible for iTaukei affairs, the Trust, and the landowners, at least one calendar month before the start of each financial year.
5. The Trust must have, at the start of each financial year, a business plan that applies to that financial year and the following 2 financial years, that is consistent with the statement of intent, and that contains information about the operations, strategic direction, and financial projections of the Trust for the financial year and the following 2 financial years.

6. The Trust must establish and approve a code of conduct governing the Trustees and any officers of the Trust, and must, at least once every 3 years, review the content and operation of the code of conduct.
7. A code of conduct for the Trust must provide, *inter alia*, for the following matters—
 - (a) standards of conduct for Trustees and any officers or employees of the Trust;
 - (b) active promotion of ethical behaviour and facilitation of reporting of unlawful or unethical behaviour;
 - (c) circumstances in which Trustees, officers, or employees may accept gifts and other benefits, including reporting and recording those gifts and benefits;
 - (d) use by Trustees, officers, and employees of the resources of the Trust, including phones, vehicles and other property;
 - (e) regulation of business travel, including its cross-over with personal travel;
 - (f) regulation of conflicts of interest, including procedures for identification, reporting and resolving conflicts of interest;
 - (g) management of breaches of the code of conduct, including the monitoring of compliance and reporting of breaches;
 - (h) use and disclosure of information by Trustees, officers, and employees; and
 - (i) reduction or elimination of improper influence on Trustees, officers, and employees in their position as a Trustees, officers, or employees of the Trust.
8. A Trustee, in discharging or exercising functions, duties, and powers as a Trustee must—
 - (a) act honestly;
 - (b) act in good faith and for a proper purpose;
 - (c) act with reasonably care and diligence; and
 - (d) comply with the code of conduct.
9. A Trustee must take all reasonable steps to ensure that the Trust achieves its core purpose.
10. A Trustee must take all reasonable steps to ensure that the Trust complies with—
 - (a) any applicable written law; and
 - (b) the Trust Rules.

11. A Trustee must not improperly use—
 - (a) his or her position as Trustee; or
 - (b) information obtained as a result of his or her position as Trustee.
12. Improper use of position or information includes using that position or information to—
 - (a) gain a personal advantage over another person; or
 - (b) cause detriment to the Trust or another person.
13. For the avoidance of doubt, “advantage” and “detriment” are not limited to financial advantage or detriment.
14. The prohibition on improper use of position or information continues after a person ceases to be a Trustee of the Trust.

MAHOGANY BILL 2025

EXPLANATORY NOTE

(This note is not part of the Bill and is intended only to indicate its general effect)

1.0 BACKGROUND

- 1.1 The Mahogany Bill 2025 (**‘Bill’**) is the result of a comprehensive review and analysis of the Mahogany Industry Development Act 2010 and the Mahogany Industry (Licensing and Branding) Act 2011.
- 1.2 The Bill *inter alia* seeks to provide for the equitable and sustainable growth and development of the mahogany industry in Fiji.

2.0 CLAUSES

- 2.1 Part 1 of the Bill contains clauses 1 to 5 and includes the short title, commencement and interpretation clause which provides for the definition of terms used throughout the Bill.
- 2.2 Part 2 of the Bill contains clauses 6 and 7 and relates to the Fiji Hardwood Corporation Pte Limited (**‘Company’**) and contains provisions which detail the purpose and role of the Company in the mahogany industry.
- 2.3 Part 3 of the Bill contains clauses 8 to 13 and relates to the Fiji Mahogany Trust (**‘Trust’**) and introduces principles of governance, reporting and accountability for the Trust. This Part also links to Schedule 1 to the Bill, which details changes to be effected to the Trust Rules, and to Schedule 2 to the Bill, which sets out the principles of governance and responsible management which the Trust will be held accountable to.
- 2.4 Part 4 of the Bill contains clauses 14 to 20 and establishes the Mahogany Forum and defines its functions, powers, reporting, accountability and financing mechanism.
- 2.5 Part 5 of the Bill contains clauses 21 to 32 and establishes the Mahogany Tribunal and provides for its functions, powers, reporting, accountability and financing provisions.

- 2.6 Part 6 of the Bill contains clauses 33 and 34 and establishes the Landowner Equitable Benefit Fund to be administered by the Trust.
- 2.7 Part 7 of the Bill contains clauses 35 to 41 and provides for the miscellaneous provisions including savings, transitional and repeal provisions to allow for the smooth transition to the new legislation.
- 3.0 MINISTERIAL RESPONSIBILITY**
- 3.1 The new legislation comes under the responsibility of the Minister responsible for forestry.

S. D. TURAGA
Acting Attorney-General