



MINISTRY OF FORESTRY

2021 - 2022

ANNUAL REPORT

PARLIAMENTARY PAPER NO. 71 OF 2023







MINISTRY OF FORESTRY

ANNUAL REPORT

For Period 01st Aug 2021 – 31st July 2022



REFERRAL LETTER

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

Dear Sir,

I am pleased to present the Annual Report for the then Ministry of Forestry for the period 1st August 2021 to 31st July 2022 for presentation to Parliament following the requirements of the Financial Management Act 2004 and the Financial (Amendment) Act 2021.

The Ministry has achieved an unqualified audit opinion from the Office of the Auditor-General for the third consecutive year and it will continue to work diligently in maintaining this benchmark henceforth under your leadership.

Yours Sincerely,

A blue ink signature, likely of Atelaite Rokosuka, written in a cursive style.

Atelaite Rokosuka
Permanent Secretary for Fisheries and Forestry

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ACRONYMS

APFNet	Asia-Pacific Network for Sustainable Forestry Management & Rehabilitation
EIA	Environment Impact Assessment
EMA	Environment Management Act
EMP	Environment Management Plan
FAO	Food and Agriculture Organisation
FBOS	Fiji Bureau of Statistics
FCPF	Forest Carbon Partnership Facility
FFHCOP	Fiji Forest Harvesting Code of Practice
FHCL	Fiji Hardwood Corporation Limited
FNPF	Fiji National Provident Fund
FPL	Fiji Pine Limited
GDP	Gross Domestic Product
GWE	Government Wage Earner
HTMB	Harvest Tree Manually – Basic
MOF	Ministry of Forestry
MOU	Memorandum of Understanding
MRV	Measuring, Reporting, Verification
NBSAP	National Biodiversity Strategy and Action Plan
NFI	National Forest Inventory
NFMV	Nature Fiji Mareqeti Viti
PSP	Permanent Sample Plots
RDF	Reforestation of Degraded Forests
REDD	Reducing Emissions from Deforestation and Forest Degradation
R2R	Ridge to Reef
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

I am honoured to present the Annual Report for the Ministry of Forestry for the financial year August 2021 to July 2022.

This financial year was yet another challenging period for Fiji as it began during the second outbreak of the COVID-19, and the Ministry along with other agencies, had to participate in the national COVID-19 containment efforts to reduce detrimental impacts to the nation and its people. However, as restrictions eased and the nation returned to normalcy, the Ministry urgently pursued its mandated duties of sustainably developing and managing Fiji's forestry sector to successfully contribute to Fiji's recovery plan and overall socio-economic growth.



The Ministry received a total budget of \$13.8 million, a decline of \$1.9 million (12.1%) when compared to the 2020-2021 financial year. The Ministry was able to utilise \$12.5 million (90.6%) to implement its programmes and projects and achieved 78.8% of its deliverables in the Annual Operational Plan. Some key events and achievements are highlighted below:

- i. Continuation of COVID-19 support to the Ministry of Health & Medical Services through the secondment of Ministry's personnel and vehicles and the utilisation of the Forestry Training Centre facilities at Colo-i-Suva;
- ii. The planting of 5.5 million trees and mangroves as part of Fiji's 30 Million Trees in 15 Years (30MT15Y) initiative;
- iii. Launching of the "Say No to Illegal Logging" Pledge in the Northern Division;
- iv. Launching of the International Climate Initiative (IKI) Forest and Landscape Restoration project in the Malolo and Naviti districts in collaboration with the United Nations Food and Agriculture Organisation (FAO), Vinaka Fiji and Mamanuca Environment Society;
- v. Assistance to forest owning communities in the harvesting of their matured pine and production of 201 timber housing frames;
- vi. Commencement of the National Forest Inventory 2021/2022, an exercise that is undertaken by the Ministry every decade;
- vii. Launching of the Emission Reduction Program (ERP) Awareness Campaign Outreach Tool Kit;
- viii. Completion of the integration of the National Forest Monitoring System (NFMS);
- ix. The handing over of vehicles and harvesting machineries to the Narocake Pine Scheme in Gau and the Lau Provincial Council to assist in the harvesting of matured pine trees;
- x. The conclusion of the FAO Action Against Desertification (AAD) project and the handing over of a vehicle and laptops by FAO to the Ministry;
- xi. The launch of the Fiji Hardwood Corporation Limited (FHCL) Forest Certification Gap Analysis and Roadmap Report; and
- xii. Achievement of an unqualified audit opinion, for the third consecutive period, from the Office of the Auditor-General.

I wish to acknowledge the work efforts of my predecessor former Permanent Secretary, Mr. Pene Baleinabuli for his leadership in this financial year. I also acknowledge with sincere appreciation, each staff of the Ministry for their tireless dedication and contribution to the achievements of the Ministry for this financial year.

A stylized blue ink signature of Atelaite Rokosuka.

Atelaite Rokosuka
Permanent Secretary for Fisheries and Forestry

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 procedures, 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.

Reliable - We will do and deliver what we have committed and promised

LEGISLATIVE FRAMEWORK

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

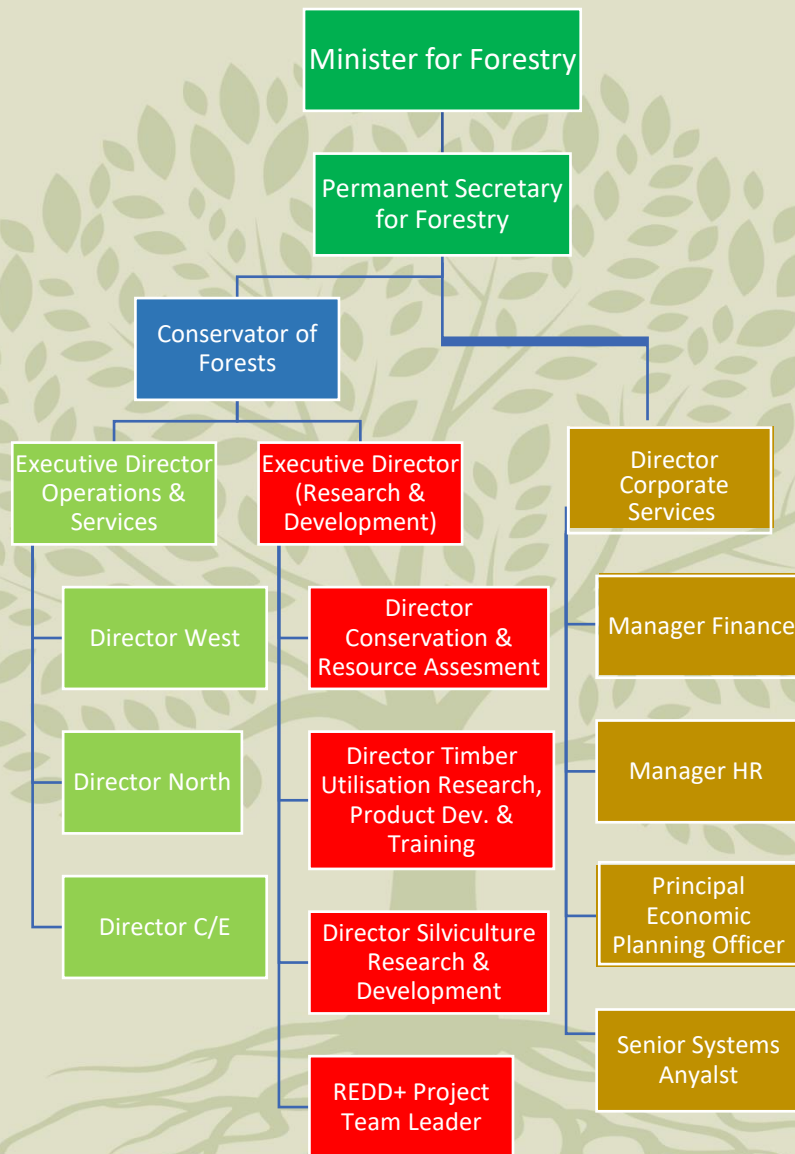
Table 1: Organisational Management

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 2: 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 • Climate Change 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 3: Functional Divisions

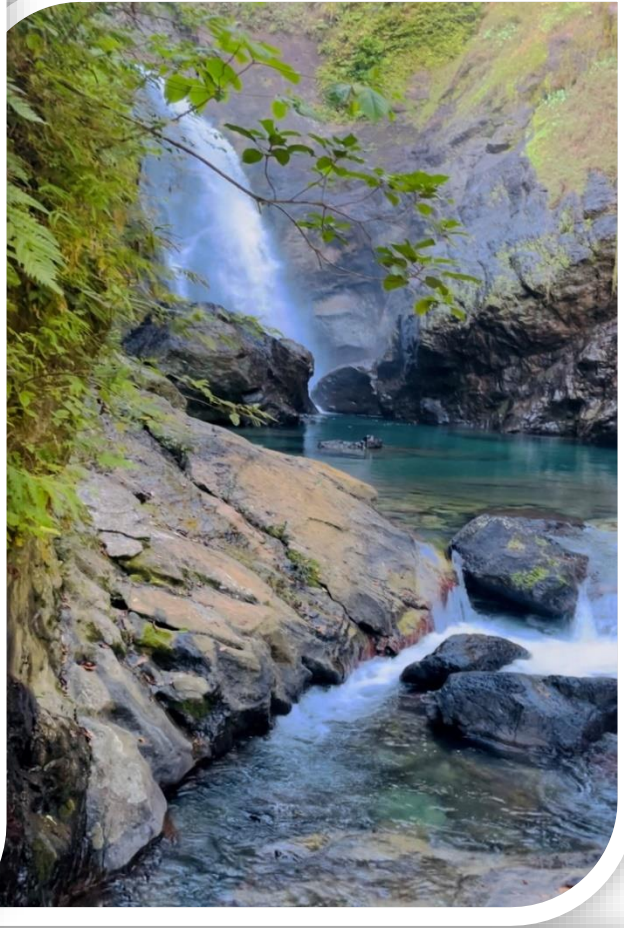
Functional Divisions/Sections	Functions & Services
Silviculture Research & Development	<ul style="list-style-type: none"> • Forest health, bio-security & bio-diversity • Tree species development • Seed & nursery technology • Natural forest management • Research publications
Timber Utilisation Research & 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 enhancing 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 Levels (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 Agro-forestry	<ul style="list-style-type: none"> • Provide extension/advisory services & raise awareness • Reforestation & afforestation activities • Promote Agro-forestry
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 • Conditions of employment & contracts

Functional Divisions/Sections	Functions & Services
	<ul style="list-style-type: none"> • 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"> • I.T. infrastructure • Website maintenance • Online application systems • Database • Registry

FORESTRY PROGRAMMES AND PROJECTS

Table 4: Forestry Programmes and Projects

No.	Programme	Activity	Projects within each Programme & Activity [SEG 6 -9]
1	Policy & Admin	<ol style="list-style-type: none"> General Admin & Accounts Economic Policy, Planning & Statistics 	
2	Forestry	<ol style="list-style-type: none"> General Admin Forestry Conservation & Management Services Training & Education Silviculture Research, Resource Assessment & Development Timber Utilisation Research & Product Development Extension & Advisory Services (Reforestation & Afforestation) Monitoring, Control & Surveillance (Harvesting & Logging) Forest Parks, Recreation & Nature Reserves 	<ul style="list-style-type: none"> ▪ Fiji Pine Trust Grant ▪ Forest Subsidy on Value adding machines. ▪ International Tropical Timber Organisation (ITTO) – Rewa Delta ▪ ITTO Annual Subscription ▪ APAFRI Subscription ▪ IUFRO Subscription ▪ INBAR Subscription ▪ Reducing Emissions from Deforestation and Forest Degradation (REDD+) ▪ 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 ▪ Maritime Pine Development (Cicia, Gau, Kadavu) ▪ Monitoring, Compliance & Surveillance ▪ Utilisation of waste wood ▪ Upgrade of Colo-i-Suva Forest Park



2021 – 2022 KEY HIGHLIGHTS



**Budget Allocation - \$13.8 million;
Utilised - \$12.5 million (90.6%)**



- 30MT15Y Initiative: 5.5 million trees planted in 2021-2022FY
- National Forest Inventory 2021/2022



- National log production: 545,208m3



- Timber/Wood product Export: \$97.3 million
- Timber/Wood product Import: \$12.0 million



- Community Development/Livelihood Assistance
- 201 timber housing frames produced



- Partnership with USFS, FAO, CI, SPC, ACIAR
- Pledge "Say No to Illegal Logging"



- 2020-2021 AOP Implementation - 78.8%

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 82.3%, softwood plantations account for 7.4%, hardwood plantations account for 6.2%, 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 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.

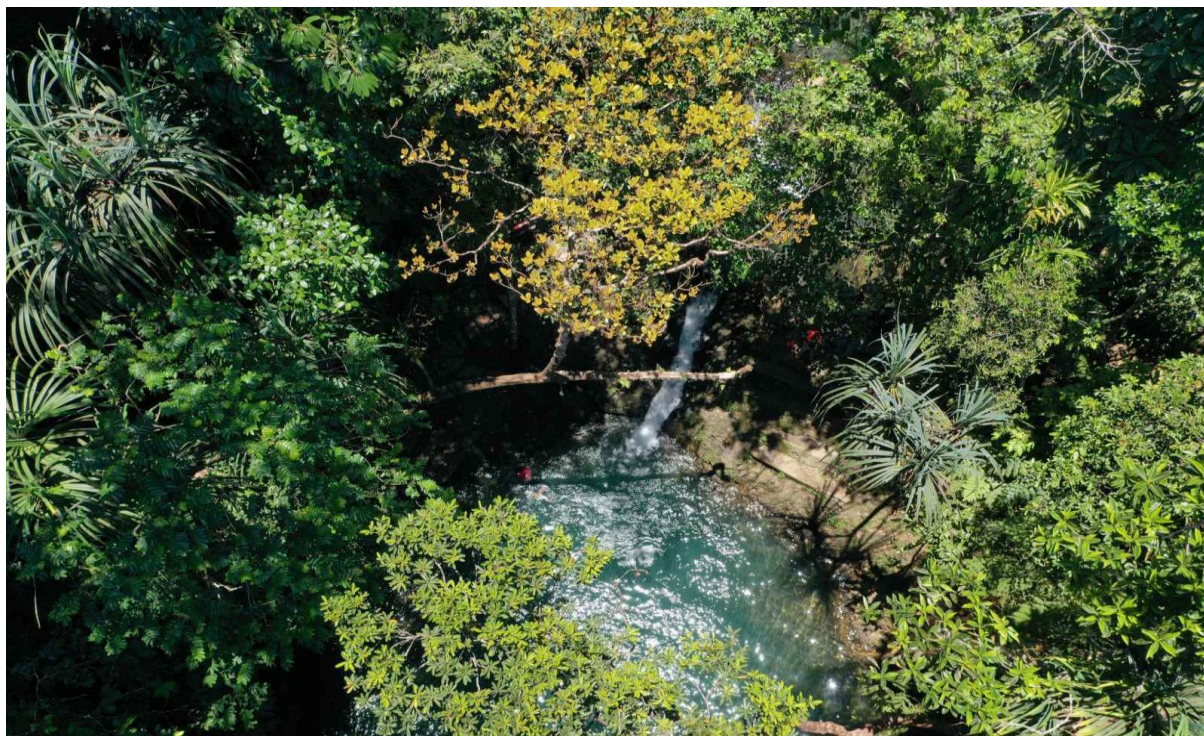


Figure 1: An aerial view of one of the pools in the Colo-i-Suva forest park

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

Economic growth for an economy is generally measured through its gross domestic product (GDP). In 2021, Fiji's GDP stood at \$8,404.2 million. The forestry and logging industry contributed \$34.1 million (0.4%) to Fiji's real GDP in 2021, a 28.2% increase compared to the \$26.6 million (0.3%) contribution in 2020. The forestry and logging industry was one of only five industries that grew in a COVID-19 era coupled with tropical cyclones that affected the nation. However, it is essential to note that forestry work goes beyond the raising of seedlings, tree planting and harvesting of 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 \$162.5 million (1.9%) to the national GDP by the end of 2021. The significant contribution of \$55.3 million was from the sawmilling and planning of wood activity, followed by the forestry and logging industry, which contributed \$34.1 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 5: Forestry Sector contribution (2019-2021)

Industry by economic activity	2019r		2020r		2021p	
	FJD [Millions]	% Contribution to Real GDP	FJD [Millions]	% Contribution to Real GDP	FJD [Millions]	% Contribution to Real GDP
Forestry and logging industry	24.7	0.2	26.6	0.3	34.1	0.4
Manufacturing industry						
Sawmilling and planning of wood	68.7	0.6	60.0	0.7	55.3	0.7
Manufacture of products of wood, cork, straw and plaiting material	18.4	0.2	22.1	0.2	21.5	0.3
Manufacture of pulp, paper and paperboard	2.4	0.0	2.3	0.0	2.2	0.0
Manufacture of corrugated paper and paperboard and containers of paper and paperboard	11.9	0.1	11.6	0.1	11.6	0.1
Manufacture of other articles of paper and paperboard	21.2	0.2	24.0	0.3	22.0	0.3
Manufacture of Furniture	6.8	0.1	6.4	0.1	6.2	0.1
Total	154.1	1.4	153.0	1.6	162.5	1.9

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 when compared to the 2019 employment number of 865. The employment breakdown according to the main economic activity is highlighted in Table 2 below.

Table 6: 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:

1. 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.
2. 2021 data is yet to be released by FBOS.

¹ Employment number for Government is sourced from 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 \$118.5 million to export revenue for 2021. The major export commodity was woodchips which generated \$74.8 million. Domestic exports of wood products accounted for 9.5% of total domestic exports.

Table 7: Exports of Wood Products (2019-2021)

Domestic Exports of Wood Products			
Product	2019	2020p	2021p
	Value FJ\$ Million		
Total Domestic Export	1,167.1	1,146.2	1,251.4
Wood and articles of wood	59.0	76.6	118.5
Of which			
- Wood in chips or particles	37.6	55.4	74.8
- Mahogany	10.6	9.2	14.8

Source: Fiji Bureau of Statistics, 2023

p – provisional



Figure 2: Mahogany timber ready for exports

Imports

In terms of imports and using the H.S. classification adopted by FBOS, wood and wood products contributed \$17.8 million to the import bill for the year 2021.

Table 8: Imports of Wood Products (2019-2021)

Imports of Wood Products			
Product	2019	2020p	2021p
	Value FJ\$ Million		
Total Imports	6,008.5	3,754.3	4,484.9
Wood and articles of wood	23.5	18.9	17.8

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 in Forestry

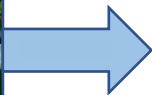
Though forest commodities take a bit of time for investors to enjoy their benefits, there are some worthwhile investment opportunities that lie within the forestry sector.

Import substitution products

Fiji has been importing commodities such as plywood and ply boards due to their high demand in the construction industry in Fiji. Opportunities lie in setting up facilities locally to manufacture these products for local and overseas markets. This 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 great potential in Fiji. With demand increasing for native forest timber, investing in short-rotation tree crops is a better option as these forest products have greater returns on investment.



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



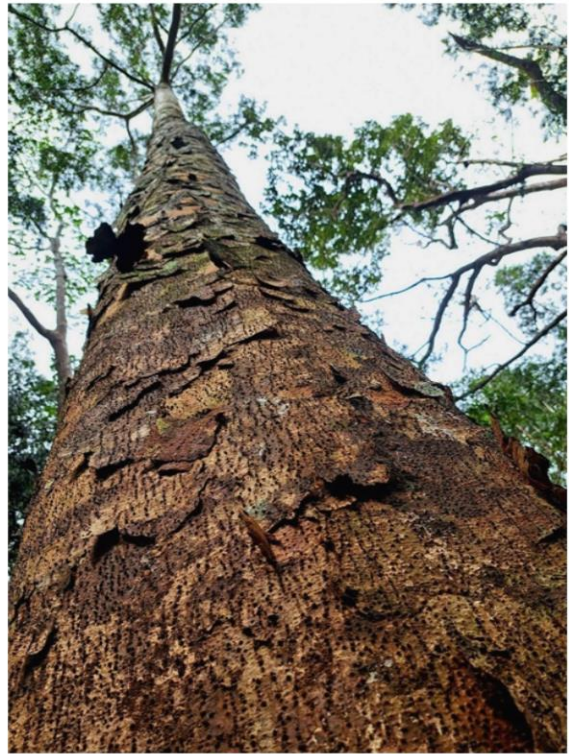
Candlenut (locally known as 'Lauci or Sikeci') - fruits are used for cosmetic purposes.



Coco wood or coco veneer made from senile coconut trees that no longer bear fruits/nuts.



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

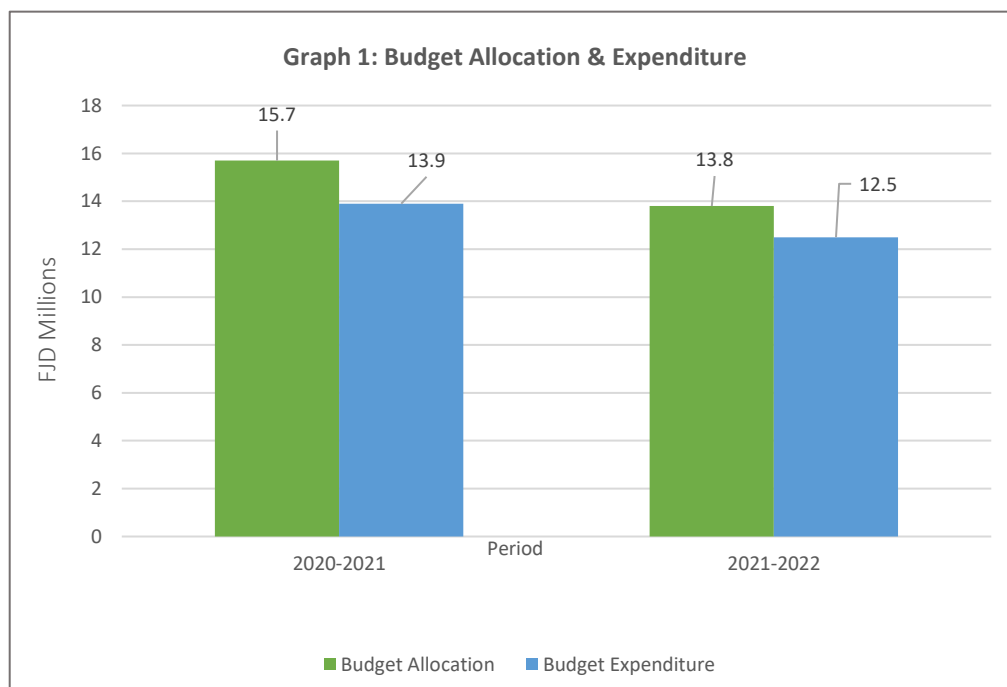


BUDGET ALLOCATION AND EXPENDITURE

Table 9: MOF Budget Allocation

SEG	SEG PARTICULARS	2020-2021 Allocation [FJD 000]	2021-2022 Allocation [FJD 000]
1	Established Staff	4,048.6	3,950.2
2	Government Wage Earners	1,544.6	1,331.7
3	Travel and Communications	416.8	286.5
4	Maintenance and Operations	1,329.3	944.3
5	Purchase of Goods and Services	1,065.1	581.2
6	Operating Grants and Transfers	871.0	796.3
7	Special Expenditures	804.7	2,306.4
	TOTAL OPERATING	10,080.1	10,196.6
8	Capital Construction	3,638.5	2,659.9
9	Capital Purchase	1,259.5	500.0
	TOTAL CAPITAL	4,898.0	3,159.9
13	Value Added Tax	716.0	469.3
	TOTAL EXPENDITURE	15,694.1	13,825.8

A total of \$13.8 million was allocated to the Ministry, of which \$12.5 million (90.6%) was utilised for the implementation of the Ministry's programmes and projects, leaving a balance of \$1.3 million at the end of July 2022.



REPORT ON PERFORMANCE

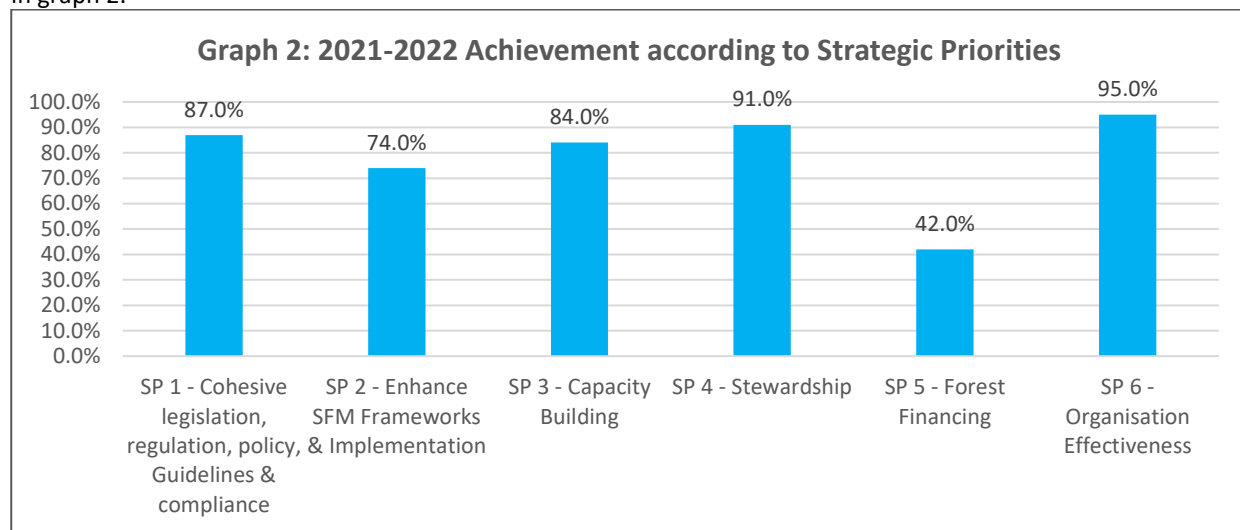
The Ministry's Strategic Development Plan (SDP) highlights the 4 strategic goals and 6 strategic priorities, as detailed in the Table below. The SDP is aligned to the National Development Plan (NDP) requirements and global commitments. The performance of the Ministry of Forestry is detailed henceforth in this report under each Strategic Priority.

Table 10: 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.
SP 1	Cohesive legislation, regulation, policy, guidelines and compliance <i>SP 1 is geared towards articulating a consistent, long-term approach with regard to legislation, regulation, Policy, and compliance mechanisms associated with forests and forestry.</i>
SP 2	Enhance sustainable forest management frameworks and implementation of Sustainable Forest Management (SFM) <i>SP 2 is about establishing clear, sustainable implementation mechanisms for forest strategies to be effective over a long period of time.</i>
SP 3	Capacity building (Ministry & Stakeholders) <i>SP 3 focuses on bringing theory into practice. The Ministry will lead the way in analysing the capacity and capabilities necessary to achieving the desired outcomes of the sector; engage its personnel, infrastructure, partners and communities in developing research and knowledge necessary to achieve the best outcomes for now and the distant future.</i>
SP 4	Stewardship <i>SP 4 is about commitment to stewardship of national resources, as well as the moral obligation towards global environmental responsibilities and commitments.</i>
SP 5	Forest financing <i>SP 5 is all about looking at, developing, improving and/or implementing financial strategies and mechanisms to support the sustainable management of forests.</i>
SP 6	Organisation effectiveness <i>SP 6 focuses on the Ministry itself. It looks at the capacity and the capability of the Ministry to be able to produce what it has set as its goals. It looks at efficiency 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.</i>

SUMMARY OF 2021-2022 OPERATIONAL PLAN ACHIEVEMENT

The Ministry achieved 78.8% in terms of the implementation of the 2021-2022 Operational Plan that was set at the beginning of the financial year. The details of achievements according to the six strategic priorities are highlighted in graph 2.



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

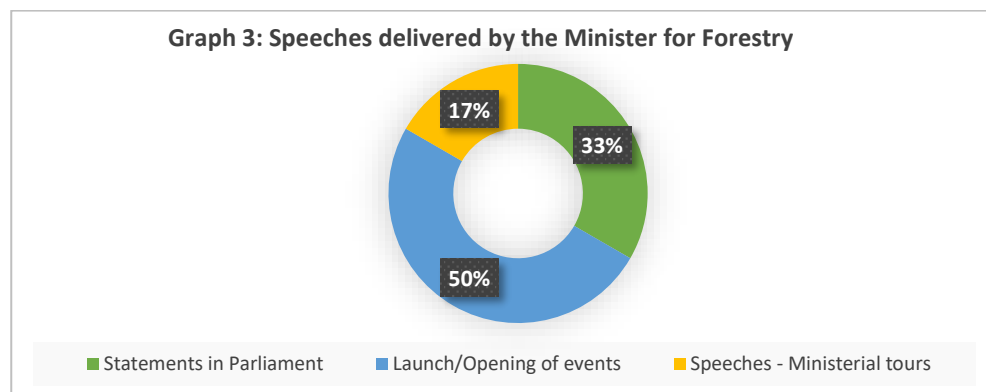
Ministerial support and policy advice

Cabinet Submission

No cabinet paper submission was made this financial year to Cabinet Office. However, about 11 drafts were compiled and were going through consultations and vetting processes with relevant stakeholders before the year ended.

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 legislations, regulations, policies & plans

Table 11: Status of new and reviewed legislations, regulations, policies

	Output	Status of achievement
1.	Finalisation of Forest Bill and relevant regulations	The Ministry continued to review the Forest Act 1992 and submitted a draft to the SG's office within the Financial Year. Once the amendment to the Act is endorsed, relevant regulations already drafted and reviewed will also be finalised. These regulations include the Sawmill Regulation and, the Preservative Timber Treatment Regulation. A new Forest harvesting regulation will be developed as well.
2.	2011 REDD+ Policy	The review of the 2011 REDD+ Policy was carried out through the conduct of stakeholder consultations and the engagement of a consultant to complete the reviewed Policy. The final draft was submitted to management for endorsement before submitting it to Cabinet Office.
3.	Climate Change Act	The Ministry was part of the consultation on the draft Climate Change Act and provided its contribution as this Act is relevant to the work of the Ministry. The Climate Change Act No. 43 of 2021 was endorsed but has not come into force yet.

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 Division (FRAC), there are two units, namely the Forest Resource Assessment & Monitoring (FRAM) Unit and the Forest Reserves and Parks Unit. FRAM is responsible for the management of forest information systems and databanks, the management of natural forests through permanent sample plots, the administration of mapping and surveys of forest boundaries, forest inventories for harvesting and compensation and forest functions and services. It is also responsible for the overall conservation and management of all forest-related activities. The Forest Reserves and Parks unit looks after the management of the Colo-i-Suva Forest Park, as well as other forest parks and reserves in Fiji.

Forest Cover and Forest Change Analysis

Forest Cover change detection is an annual exercise by the FRAM unit of the Ministry. The change analysis is done by leveraging artificial intelligence and machine learning algorithms on Landsat Satellite Imagery. The forest statistics figures are for lowland rainforest, upland rainforest, and cloud forests. The islands of Viti Levu, Vanua Levu, and Taveuni altogether cover more than 92% of Fiji's total land area. The figures presented in this report have been prepared using remotely sensed data and are estimates of the true value. The total forest area for 2020 in Fiji is approximately 1.1 million hectares. This figure includes mangroves, plantation forests, and native forests.

Table 12: Fiji's Forest Cover by forest type

Forest Type	Total Area	Percent
Lowland Forest	998,065.01	89.64%
Upland Forest	74,040.51	6.65%
Cloud Forest	41,338.01	3.71%
Total	1,113,443.53	100.00%

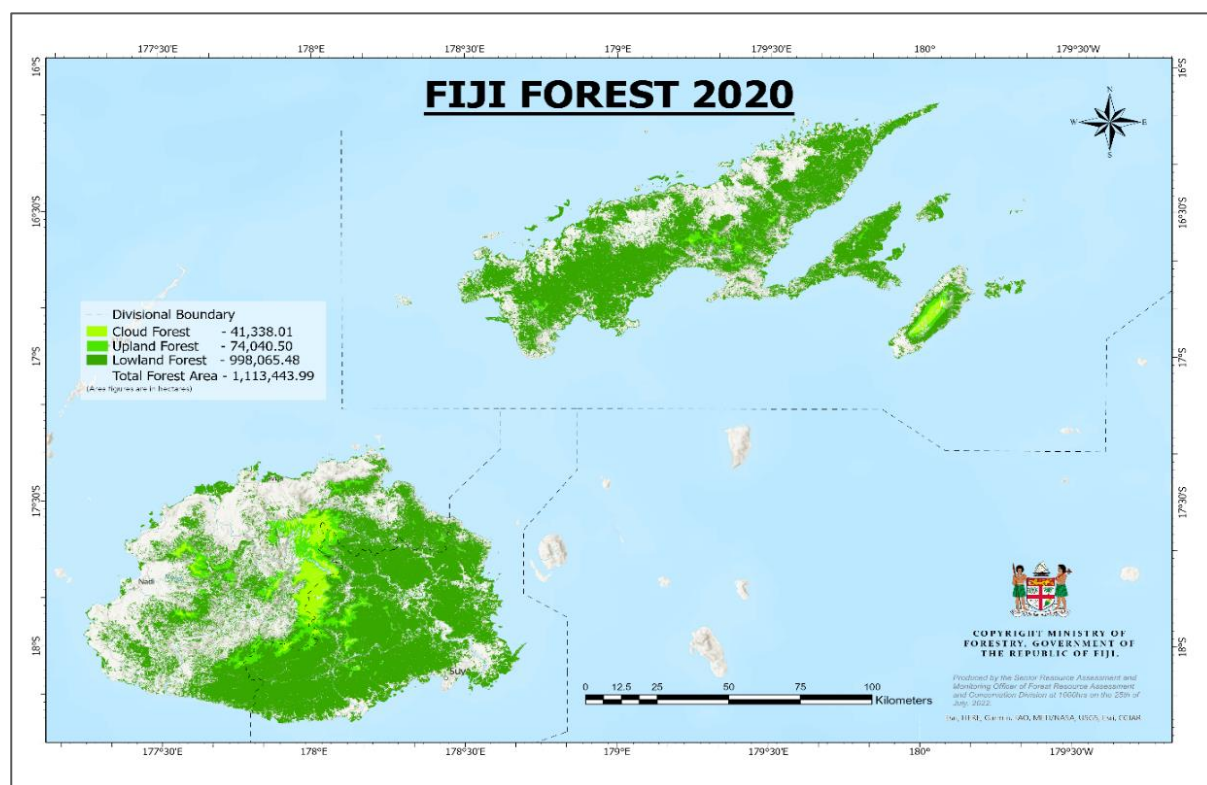


Figure 3: Fiji's forest cover map 2020

Drones

The Ministry has four drones to assist in its operations. Due to COVID-19, the use of drones for operations was halted in 2021. However, some drone imageries were acquired throughout the year to assist in planning. Drones proved to be very useful in covering large areas for assessment and monitoring, capturing detailed information for planning and decision-making. Tabled below are the drone activities carried out in this financial year.

Table 13: Drone activities for 2021-2022FY

Date	Drone Activity Site	Equipment Used	Area (ha)	No. of imageries collected for processing	Orthomosaic image quality	Purpose/ Outcome
28/06/22	Colo-i-Suva Forest Park – Car Park and Bure Area	M300 Drone with P1 Surveying sensor	21.865	1046	DTM and DTM Contours had partial coverage and were of unsatisfactory quality	Uploaded to the web map and sent to Australian Volunteer to use for planning.
15/07/22	Survey of Colo-i-Suva Forestry Station	M300 Drone with P1 Surveying sensor	44.310	1,315	Yet to be constructed.	Assist in demarcating areas for construction of proposed Ministry H.Q. and additional quarters.

Date	Drone Activity Site	Equipment Used	Area (ha)	No. of imageries collected for processing	Orthomosaic image quality	Purpose/ Outcome
04/08/22	Nadawa EIA Compliance	DJI M300 with P1 surveying sensor onboard	73.867	1,209	High res.	Used for EIA assessment to gauge any mangrove removal. Presented to DoE Principal Environment Officer
14/09/21	Tamavua Food Forest Site	M300 drone using the H20 sensor	N/A	N/A	High res.	For planning, uploaded to the web map
02/02/22	Vanua Levu HAR visit	M300 with the H20 sensor	N/A	N/A	High res.	Verify areas that had questionable outputs from the reports submitted by the division. Imageries are produced as evidence for reports.
02/08	CIS Aerial Survey flight 3	M300 with the H20 sensor	N/A	N/A	High res.	Updated to the web map. Used for planning to demarcate proposed MoF H.Q. & quarters
10/08/22	Nadawa EIA compliance- Flights 2 & 3	M300 with the H20 sensor	N/A	822	DTM and DTM generated were of satisfactory quality	Imagery shows the area of mangrove clearance that would assist the Ministry of Environment in its decision-making.
08/07/22	Nadera Food Forest	M300 with the P1 payload	0.6	999	High res.	Used for land use planning and consultations
08/07/22	360 Footage of CIS Parks Proposed Boardwalk Site	Mavic 2 Pro (as all the flights were done below the canopy)	N/A	N/A	High res.	Sent to relevant officer to accurately plan boardwalk construction.
14/09/21	Tamavua Food Forest Site	M300 drone using the H20 sensor	N/A	N/A	High res.	Used for land use planning and consultations

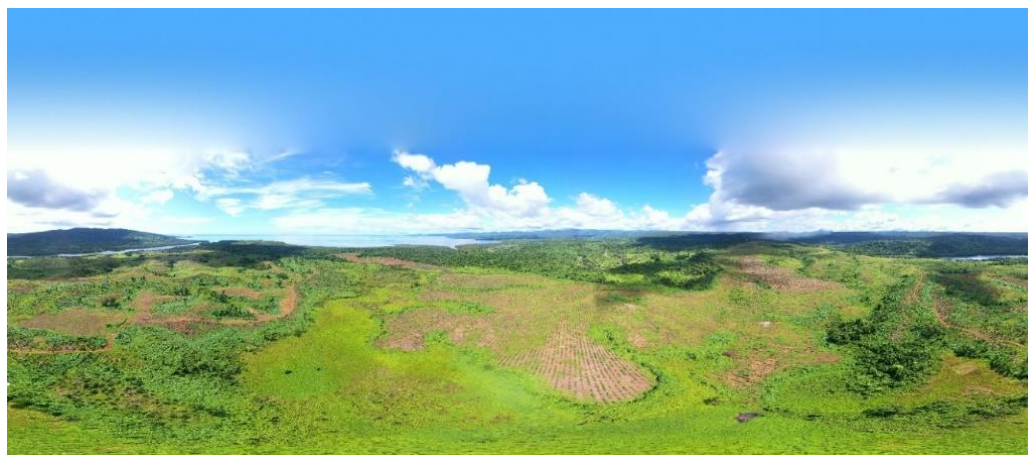


Figure 4: A panoramic view of the Eucalyptus planting site in Wainunu, Bua.

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 web maps facilitate informed decision-making by the senior management team and are updated with real-time frequency.

The planted areas dashboard is also updated as soon as the information is received and verified.

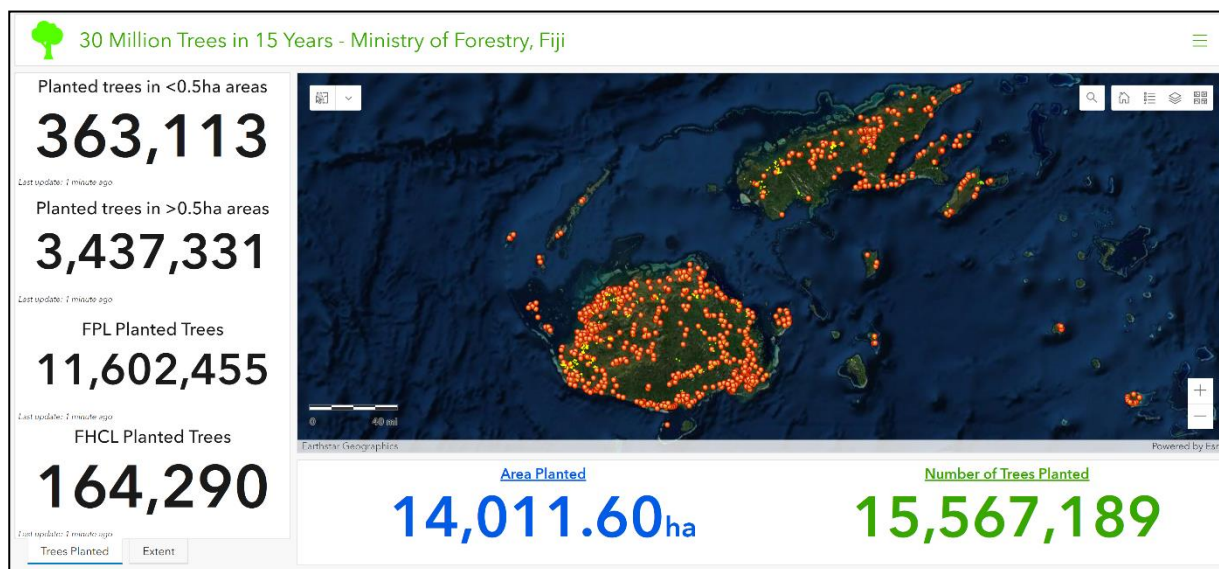


Figure 5: A sample screenshot of the Planted Area Dashboard as at 29/08/2022

Harvested Area Report (HAR)

The submission of harvested area reports from the operations divisions is critical as this is used for forest reference level reporting. A total of 1,410.58 hectares was reported as harvested for forest produce. The table below shows the harvested areas by Divisions and forest types for this financial year.

Table 14: Harvested Areas per Divisions and Forest types

Division	Forest type	Total Area	Percent
Central/Eastern	Mahogany Woodlot	8.07	0.57%
	MFP Firewood	2.22	0.16%
	Native	105.42	7.47%
	Total	115.71	8.20%
Northern	Mahogany Woodlot	3.64	0.26%
	Native	173.68	12.31%
	Pine Woodlot	397.85	28.20%
	Total	575.17	40.77%
Western	Native	575.27	40.78%
	Pine Woodlot	144.43	10.24%
	Total	719.70	51.02%
Total Area Harvested		1,410.58	100.0%

National Forest Inventory

The Ministry is mandated to carry out the National Forest Inventory (NFI) in Fiji every decade. The design and methodology for the NFI 2021/2022 were also developed and officially launched on 27 January 2021 by the Permanent Secretary for Forestry. Training for the NFI field assessment team was conducted in February 2021 before the actual field work began. In June 2021, with the increasing impact of the COVID-19 pandemic and subsequent national lockdown, the field work was halted, and the teams were redeployed to assist in the national COVID-19 safety and community assistance operations. The field work recommenced in February 2022. In March 2022, Unique Forests (Germany), a consultancy company was commissioned to design and execute the NFI. They were in the country for 2-weeks in June and conducted a quality assessment and refresher training for the NFI team.

Results of Field Assessment

The NFI design (sampling distribution) and methodology have set the total number of distributed plots at 1,133. Each plot consists of 5 subplots in one sampling unit. Only plots that fall within 'closed' forests will be assessed, and from which field samples are collected. The distribution of the assessable plots are tabulated below. As of 31 July, the total plots assessed is 530 or 53% completion.

Table 15: NFI field assessment results

Islands	Total	Open	Closed	Assessed	Balance	% Achieved
Viti Levu	672	85	590	518	72	88%
Vanua Levu, including Taveuni	391	49	342	12	330	4%
10 Maritime Islands	70	7	63	0	63	0%
Total	1,133	141	995	530	465	53%

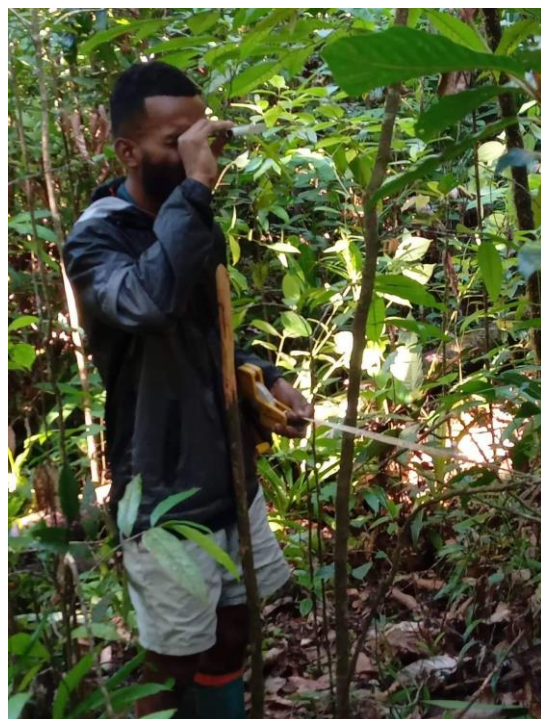
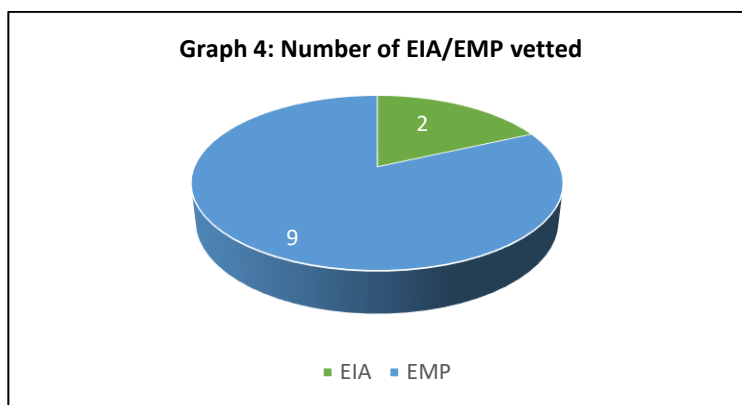


Figure 6: Forestry officers carrying out inventory works in the field.

Environment Management

The Environment officer under the FRAC division is responsible for the vetting and review of Environment Impact Assessment (EIA) Reports and Environment Management Plans (EMP) prior to submission to the Department of Environment (DOE). For this financial year, a total of two EIAs and nine EMPs were vetted and submitted to DOE. The Unit also developed SOPs and information booklets relating to EIA processes, reviewed CITES scheduled species, environmental laws, and regulations relevant to the forestry sector to be used as references for Ministry staff.



Forest Governance Development

Forest governance is a newly established function in the FRAC division that provides support for the development of proposals, policies, strategies and governance on permanent forest estates, sustainable forest management, high conservation value forests, forest certification and sustainable forest financing to ensure the sustainable management of forests in Fiji.

Forest Certification

A forest certification workshop was conducted in which a Forest Management and Certification Steering Committee was established. However, the Forest Stewardship Council (FSC) has yet to endorse this.

The Ministry worked on assisting the Fiji Hardwood Corporation Limited (FHCL) with its certification, which included meetings, a documentation review and a one-week workshop. A FHCL Forest Certification Gap Analysis and Roadmap Report was developed and published as an outcome of this work which was also supported by WWF and USP. The report and roadmap serve as a guide towards FHCL's attaining certification status by 2025.



Figure 7: Hon. Attorney General Mr. Aiyaz Sayed-Khaiyum handing over the report to FHCL Board Chairman, Mr. Sanjit Patel.

Forest Parks and Reserves

Forest Reserves and Nature Reserves

The maintenance of nature and forest reserves boundaries 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 the marking of all forest and nature reserves boundaries that fall within the listed categories.

For this financial year, the following activities were undertaken where reserves were concerned:

1. Marking and Maintenance of Colo-i-Suva (CIS) Forest Reserve.
2. Reconnaissance exercise was carried out for the Tomaniivi Nature Reserve and Wabu Forest Reserve.

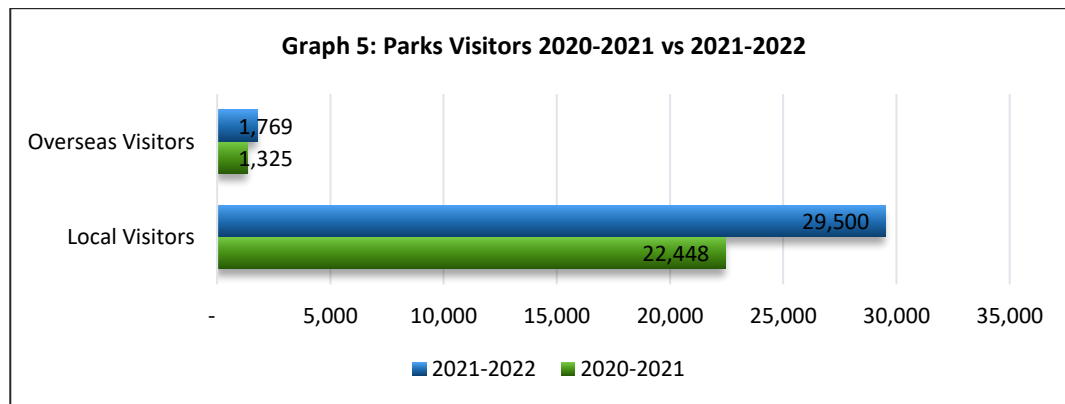


Figure 8: Forest Guard Parks marking the boundary for Colo-i-Suva Forest Reserve.

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* (Tuirara, Matanikorovatu, Naulukarowa) lands of Kalabu village.

This financial year, the park was reopened in October 2021 after being closed due to the COVID-19 pandemic. A total of 31,269 visitors visited the Park, of which 1,769 were international tourists and 29,500 were local. The total number of visitors showed an increase of 7,496 (31.5%) when compared to the previous financial year. A total revenue of \$35,406.50 was generated from the collection of park fees.



Upgrading of Colo-i-Suva Forest Park project

The following activities were carried out under the upgrading project:

- Maintenance of the swimming pool,
- Maintenance of tracks from the upper pool to the lower pool,
- Construction of boardwalk,
- Replacement of hand railings,
- Upgrade of bure, changing room and benches at the lower pool, and
- Construction of a water catchment facility near the washrooms at the park.



Figure 9: Maintenance and gravelling of the upper pool.



Figure 10: Construction of boardwalk.

Law Enforcement – Licensing, Monitoring & Compliance

Right licenses issued

A total of 109 Right Licenses (RL) were issued during this financial year as tabulated below.

Table 16: Right Licenses issued by Divisions

Divisions	No. of RL issued
Northern	23
Central/Eastern	13
Western	73
Total	109

Harvesting Operations

A total log volume of 545,208m³ was produced this financial year, which is a decline of 215,609m³ (28.3%) when compared to the previous financial year. Of this total volume of 545,208 cubic metres, Pine constitutes 85.4%, Mahogany 8.3% and indigenous species 6.3%

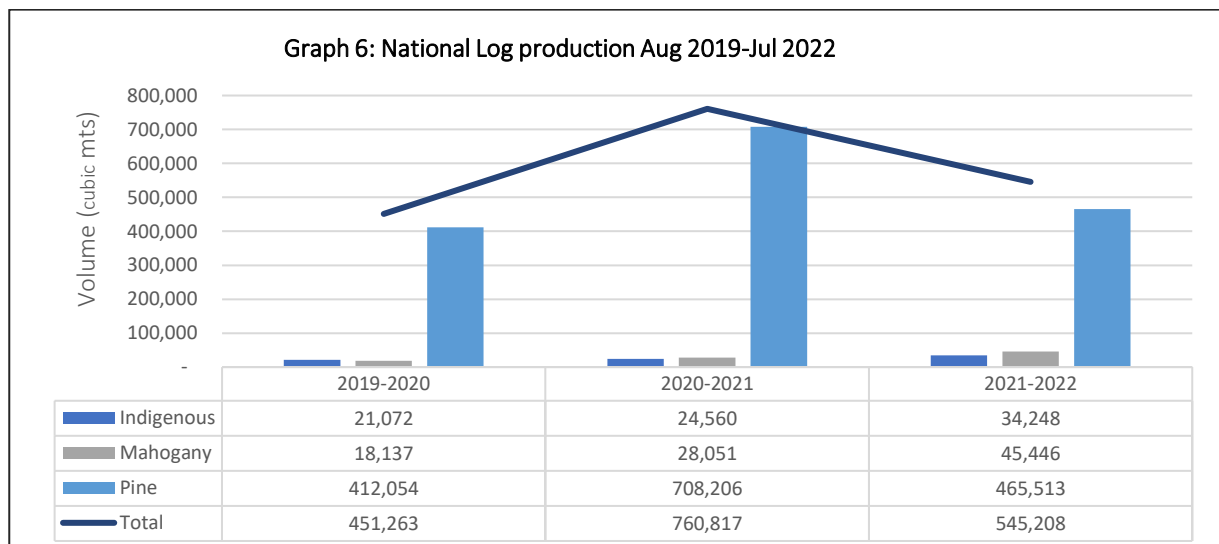




Figure 11: Mahogany logs

Say No to Illegal Logging Pledge

The Northern Division started the above initiative which was launched by the Permanent Secretary of Forestry on 11 February 2022 with the objective of curbing illegal logging through community and public awareness in collaboration with the Fiji Police Force and forest owning communities. By the end of the financial year, 324 pledges were received and recorded, including farmers, private organisations, government officials, logging companies and land-owning units.



Figure 12: Supporters of the Pledge in the Northern Division

Sawmill Operations

A total of 43 licensed sawmills were operating during the year, comprising of 23 static and 20 portable sawmills. The Northern division was issued with 17 sawmill licenses, the Central division with 15 and the Western division with 11.

These sawmills processed a total log volume of 138,488.67m³, producing 65,628.910m³ of sawn timber, meaning an average sawn timber recovery of 47%. Table 18

below indicates that the Western division produced the highest in terms of log input and sawn output volume, but in terms of recovery, the Northern division achieved the highest with an average recovery of 53%, followed by the Central and Western divisions with 47% and 46% respectively.

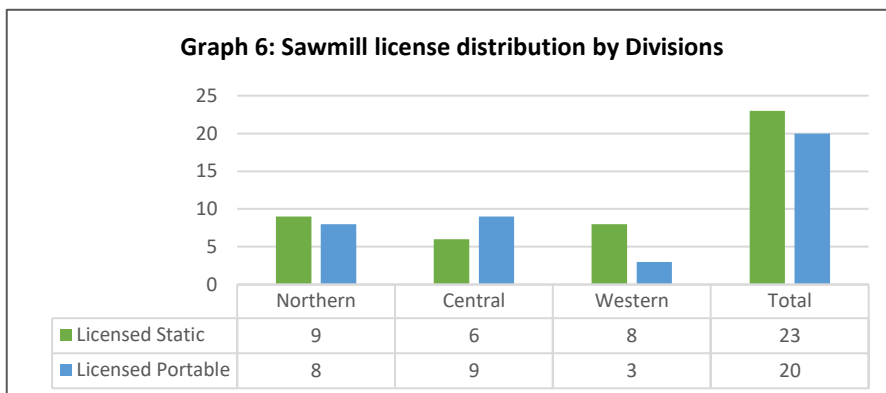


Table 17: Sawmill production by division

DIVISION	SAWMILL INPUT	SAWMILL OUTPUT	RECOVERY
Western	97,792.137	45,296.33	46%
Northern	17,953.912	9,535.418	53%
Central/Eastern	22,742.521	10,797.16	47%
Total	138,488.67	65,628.91	47%

Veneer mill Production

A total of 8,904.04m³ of logs were processed during the financial year, producing a total veneer volume of 4,459.18m³ and achieving an average recovery of 50% (Table 19). This veneer production was captured from Valebasoga Tropik Board in Labasa and Long Investment in Savusavu. The Ply mills were not in full operation due to lack of resources and EIA issues from the Department of Environment which ceased most of the logging operations.

Table 18: Veneer mill production by Division

Divisions	Veneer mill Input (M ³)	Veneer mill Output (M ³)	Average Recovery
North	8,904.04	4,459.18	50.0%
Central	0	0	0.0%
Western	0	0	0.0%
Total	8,904.04	4,459.18	50.0%

Treatment Plant Operations

A total of 19 timber treatment plants out of the 28 that exist in Fiji were licensed during the year.

Table 19 Treatment plants by each division

Divisions	Licensed	Unlicensed/non-operational	Total
North	5	2	7
Central	7	2	9
Western	7	5	12
Total	19	9	28

Quality Control

Quality control was carried out through the monthly analysis of charge sheets and timber samples collected from all the treatment plants. 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 analysis.

The total number of treated timber samples analysed during the year was 2,511, with 1,357 samples passing the analysis and penetration tests, an overall pass rate of 54%. Tables 20 and 21 below provide further details on the samples received and the revenue generated.

Table 20: Timber samples collected, and revenue generated.

Year	Total Samples Analysed	Total Revenue
2020-2021	1,586	22,930.66
2021-2022	2,511	28,427.75

Table 21: Timber samples analysed and results

Hazard Level	Total No. of Sample	No. Passed	No. Failed	% Passed	% Failed
H2	24	24	0	100%	0%
H3	1,568	858	710	55%	45%
H4	289	104	185	36%	64%
H5	630	371	259	59%	41%
TOTAL SAMPLES	2,511	1,357	1,154	54%	46%

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 comply with the Fiji Forest Harvesting Code of Practice (FFHCOP), which enables the sustainable utilisation and management of Fiji's forests. Monitoring and evaluations are conducted for field operations and on the condition and standards of harvesting machines. Training sessions were also conducted for field officers. The overall compliance rate for this financial year stood at 71.0%.

Improvement Notices and Corrective Measures

Improvement notices or corrective measures were imposed in accordance with the Fiji Forest Harvesting Code and Forest Act 1992 to avoid further breach of the license conditions and to act as a deterrent to the logging contractors. A total of 23 fines were imposed on the offenders from the 3 divisions during the monitoring operation.

Table 22: MCS Project Activities

No.	Activities	Remarks
1.	Standard Operating Procedures	Development/Review of SOPs, including trainings, were conducted for forestry technical officers.
2.	Timber Production manual	Refresher training and a review of the manual was conducted.
3.	Code Awareness	This refresher training was targeted at officers responsible for managing harvesting operations within their various beat stations.
4.	HP Manual Map Reading	
5.	Facilitate Code Steering Committee	A review of the Terms of Reference for the Committee was conducted.



Figure 13: Refresher training conducted by MCS Project officer.



Figure 14: HP Manual Map Reading training conducted by FRAC officer.

Sawmill Monitoring

The monitoring of sawmills was conducted on a quarterly basis, and its main purpose was to ensure that best practices were applied and that licensing conditions were met in line with the Sawmill Policy and Forest (Sawmills) Regulations 1968. An inspection checklist was designed to monitor the sawmill performances with the aim of achieving efficiency and effectiveness of sawmill operations and better utilisation of resources. The monitoring results on log yard and housekeeping, machine standard and conditions, health, and safety of workers (PPE), and validation of log input and sawn output data are shown in the Table below.

Table 23: Average score by each division

	Division	Log Yard	PPE	Machine Output	Timber Assessment	Total Score
1.	Western	58%	66%	67%	63%	64%
2.	Central	41%	36%	56%	53%	49%
3.	Northern	50%	62%	62%	57%	60%

The low rates of compliance will be addressed with sawmillers, and training will be provided to improve their compliance.

Reforestation and Afforestation

30MT15Y Initiative

As part of the 30MT15Y initiative, the Ministry carried out this national tree planting programme with the support of relevant stakeholders and the public. In this financial year, a total of 5,488,756 seedlings were planted within a total area of 5,300ha. The breakdown of species planted by Divisions is highlighted in the Table below.

Table 24: Tree planting by Divisions

Species categories	Central Eastern	Northern	Western	FPL	FHCL	FPT	Grand Total	Area
Native	6,392	37,015	16,666				60,073	172.83
Pine	3,270	26,300	19,242	4,712,369		11,743	4,722,924	4314.83
Mahogany	20,554	19,531	11,258		33,570		84,913	222.87
Teak	5,521	862	12,053				18,436	55.45
Sandalwood	5,984	4,578	8,401				18,963	61.47
Coastal	2,366	3,082	1,553				7,001	16.55
Mangroves	36,456	76,208	66,771				179,435	82.75
Fruit Trees	19,336	17,153	23,138				59,627	182.14
Fuel wood	1,147	265,820	6,535				273,502	146.92
NTPF	5,553	679	7,650				13,882	44.23
Grand Total	106,579	451,228	173,267	4,712,369	33,570	11,743	5,488,756	5,300.04

The RDF Project team also conducted monitoring and survival assessment for these planted areas.



Figure 15: RDF Staff conducting Survival Assessment in Dawasamu



Figure 16: RDF Project Staff conducting Pine Survival Assessment at Sovi Pine Scheme, Nadroga

Research and Development - Silviculture Research

Seed Technology

For this financial year, the usual activity of seed collection and processing was decentralized and transferred to the Divisions to enhance seedling production in Divisions and better assist the public who need seedlings for their tree planting initiatives. The research team conducted training for Divisions to enhance their knowledge and skills in seed collection and seedling production.

Furthermore, the research team also conducted training for the staff of FHCL, who can now do their own seed collection and processing to enhance their reforestation programme. A total of 16 mother trees were identified as seed sources after assessing the tree form, canopy cover and health status.

The research team continued to collect seeds for their research purposes and assisted Divisions when required. 80kg of mahogany (*swietenia macrophylla*) seeds were sold at \$8,000 to Totoka Islands, a private company aiming to develop integrated agro-forestry operations in remote areas. Another 40 kg of mahogany seeds were distributed to the 3 operation Divisions to assist in the reforestation programme.

Allometric Model and Biomass calculation

A crucial step in climate change mitigation is quantifying forests aboveground biomass and carbon storage through applying Allometric equations of common indigenous trees in Fiji.

The Allometric model and Biomass calculation is a joint collaboration between the Research Division and the REDD+ Unit. The essential primary activities planned for this financial year were to engage a consultant, procure specialised equipment and proceed with data collection and analysis of selected tree species in the different geographical conditions. However, the COVID-19 restrictions caused a delay in all planned activities, from training to the execution of the fieldwork, planned for 3 months. The team was able to re-strategise upon the lifting of restrictions whereby the field work and sample analysis are currently ongoing and will be completed in the next financial year with the ultimate aim to cover all aspects of the SOP and Terrestrial Field Guide before the end of the World Bank Grant in November 2022.

At the end of this financial year, the team was able to collect field samples from the following sites:

1. Mataqali Navukuta Naivucula Tailevu;
2. Tokatoka Nakua, Naivucini, Naitasiri;
3. Mataqali Cawanisa and Mataqali Navula, Nabukelevu, Serua; and
4. Nubumakita, Ra.



Figure 17: Allometric team carrying out sorting and recording of the extracted tree

Diameter Limit Table (DLT) Guideline

The DLT implementation guideline aims to provide direction to the Ministry of Forestry staff and other, relevant stakeholders, i.e., logging contractors and landowners, on the standard logging practice as per the Ministry of Forestry's Harvesting Code for native tree species and its corresponding Diameter Limit.

A copy of the DLT implementation guideline was developed and reviewed with the Senior Executive team. The team is currently drafting the cabinet paper for the endorsement of the guideline by Cabinet members.

Bamboo Research & Development

To develop and enhance the bamboo industry in Fiji, the research team conducted applied research on this species with assistance from the Ministry of Agriculture. The team collected samples from the growing bamboo clumps at the Ministry of Agriculture research station in Naduruloulou and transported the clumps to the forest research station for propagation and growth studies. The team was able to propagate 16 bamboo vegetatively using the following four treatments;

- | | |
|-----------------------------|---------------------|
| 1. Growth Hormone (Powder), | 3. Water Treatment, |
| 2. Growth Hormone (Liquid), | 4. Control. |



Figure 18: Collection and propagation of bamboo

With the assistance of the research team from the Ministry of Agriculture, the forestry team managed to collect bamboo samples for verification of its identification and also stress testing material of three species which appear to be similar to; *Bambusa tuldoidea*, *Gigantochloa apus* and *Dendrocalamus giganteus*.



Figure 19: Bamboo testing materials and equipment at FNU

Tree Improvement

The objective of tree improvement is to identify, thin and develop superior stands to supply quality seeds for reforestation and ensure that the commercial trees are genetically superior for higher production. 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 in 2020-2021FY to capture the quality of work delivered by the Ministry in the implementation of the Reforestation of Degraded Forest project and the 30 million trees in 15 years initiative to capture the quality of work delivered by the Ministry. The MRV Guideline for traceability starts from the seed collection to field planting survival or mortality rate.

This year, the guideline was successfully trialled out in the daily operations of the Divisions, and this will ensure that proper records are maintained from seed collection, mapping of seed stands or mother trees and collection of seed survey data for traceability purposes.

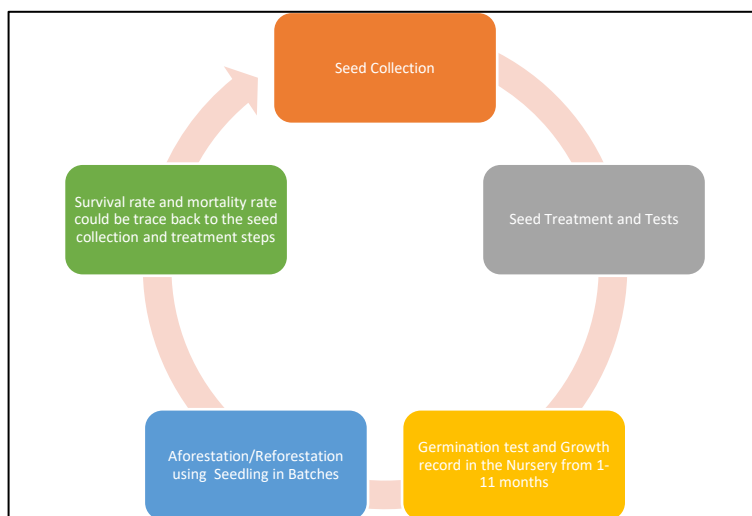


Figure 20: MRV guideline processes

Establishment of Gene Conservation Areas & Clonal Seed Orchard

To establish a gene conservation area and clonal seed orchard, the research and the forest resource assessment team collaborated in identifying a site and conducting a joint inspection. Draunibota and Labiko Nature Reserves were identified as the most suitable site for setting up the seed orchard, because they are nature reserves isolated from the mainland and easily monitored. For this financial year the team was able to conduct a vulnerability assessment at Draunibota.



Figure 21: Aerial Map of the Draunibota and Labiko Nature Reserves.



Figure 22: Forest Research & Resource Assessment team conducting field assessment at Draunibota.

Forest Health Surveillance & Monitoring

Forest Health

The Forest health Section's role is to provide technical assistance on forest health-related matters, particularly those related to disturbance agents such as native and non-native insects, pathogens, and invasive plants. The team executes the work through partnerships and collaboration with our land-owning units (LOU), government agencies and other relevant authorities to ensure proper implementation is carried out when required. Through the Forestry Research Division, the Forest Health section also provides forest insect, disease and invasive plant survey and monitoring information and technical assistance to prevent, suppress and control outbreaks threatening forest resources. Insect collection and storage is essential as this can be our source of information on types of insects infesting trees in Fiji, their identification and research on them to compare their impacts in other countries and how to control them if their presence affects the health of our trees.

Forest health surveillance and monitoring is an area in which the Forest Health team works in collaboration with other Forestry stakeholders to ensure successful implementation of the activity at ground level, such as:

- Biosecurity Authority of Fiji (BAF),
- Fiji Ports Corporation Limited (FPCL),
- Fiji Ports Terminal Limited (FPTL),
- Ministry of Agriculture (MoA),
- Ministry of iTaukei Affairs, etc.

Forest health protection covers a wide area of work such as forest plantation management, both leased and communal land to ensure it is pest and disease-free, and border control at all ports of entry to capture any intruder species to the country.

This financial year, the forest health team focussed on re-establishing the sentinel plants at the Suva Kings wharf to detect pests and diseases that come through ships and shipments through our major Ports of Entry. They need to be intercepted at Ports and stopped from spreading to our forests. The four main species of interest setup at the wharf as sentinel plants were mahogany (*Swietenia macrophylla*), teak (*Tectonia grandis*), dakua (*Agthis vitiensis*) and Flindersia (*Flindersia australis*).



Figure 23: Re-establishment of Sentinel plants at Suva wharf

Forest health assessment was also conducted at the Uluibeka trial plot using the timber bait collection. The primary purpose of this is to study the existence of *Aquillaria* species (agarwood) in the trial plot and to understand the species' common pests if there are any.

The SOPs for timber bait were followed correctly during the installation of the 2 baits at the trial plot. The 2 baits were removed from the trial after 30 consecutive days (1 month), and further collection methods were set up in the laboratory for another 2 weeks.

After the 2 weeks of collection, no major threatened species were collected from the bait. Generally, we can tell that the forest area is clean in terms of pests because of the multi-species planted in the trial. Since the Uluibeka trial plot consists of many species planted in it, including sandalwood, native trees, mahogany and other exotic species, it has greater biodiversity and less impact per species of trees due to any pests and diseases. In the case of monoculture plantations, a single pest may affect the single tree species grown in large areas.

With monocultures (like pine plantations), if an insect likes the crop, that insect has a large food supply to draw from all-in-one place. Conversely, a field containing a variety of plants (like a native forest) does not offer a large block of food for the insect, so it will not get the nutrients it needs to survive and thrive.



Figure 24: Images taken during the timber bait installation at Uluibeka Trial Plot

Collaboration with Partners

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

1. Nature Fiji Mareqeti Viti (NFMV) – collaborated on restoring two endemic species, i.e. Yanita/Ma and Sago Palm.
2. Fiji Pine Limited (FPL) – collaboration on seed technology and nursery management. FPL also accommodated 2 research officers who took part in study tours and worked with them to develop an SOP for pine seed processing.
3. The seed technology team of the Ministry assisted Fiji Hardwood Corporation Limited (FHCL) in terms of providing technical support and assistance in areas of mahogany seed processing, quality control test and working in collaboration with the Pacific Community (SPC) on its storage. To ensure quality assurance of the seeds, moisture content tests were also conducted for every seed batch to ensure that the seeds were dried at a standard percentage before storing them in the cool room. Viability tests were also conducted on 43 seed batch samples collected from 2019 to 2020. The result showed that seeds stored in the cool room are still viable, with an average germination percentage of 80%.

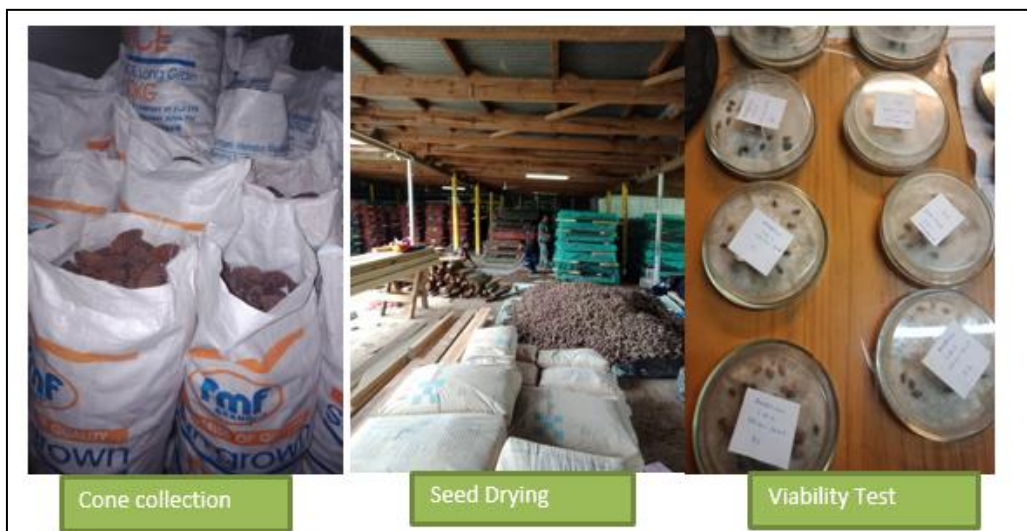


Figure 25: Pine seed collection, processing and quality control test

Funding proposals developed by 2022

The team worked on developing and submitting the following proposals to relevant stakeholders:

1. KIWA funding with the anticipation to support and advance the division's research work.
2. The research team worked with the Asia-Pacific Network for Sustainable Forest Management & Rehabilitation (APFNet) team in China for a few months to develop a project funding proposal focusing on promoting the sustainable production of sandalwood in Fiji. In the final review and discussion, the APFNet team from Beijing, China, accepted Fiji's project proposal and is willing to provide a grant of USD 999,400 to implement the project. The Cabinet Discussion Paper, MOU and project document for this Project have been progressed for vetting and finalisation.
3. The research team also collaborated with NFMV to submit a funding proposal to the Pacific American Fund.

Sandalwood Project

With a budget allocation of \$40,000, a reduction of 50% when compared to the previous year, the project team managed to conduct the following activities.

Table 25: Sandalwood project activities

No.	Activity	Remarks
1.	Cost-benefit analysis of all sandalwood products; oil, handicraft/sale.	Various consultations and outreach were conducted with a few local sandalwood buyers to gather the required information. The team also drafted a paper for the Fiji Sandalwood Production Framework.
2.	Establishment of sandalwood growers & buyers association	The first consultation for the growers' association was conducted in March 2022 in Nadi, targeting a group of sandalwood growers in the Nadi and Sigatoka area.
3.	Sandalwood regulation	The draft sandalwood regulation and sandalwood strategy were being reviewed.

Research and Development – Timber & Non-Timber Utilisation

Research on lesser-known species

The Research on Wood and Non-wood Project received a budget allocation of \$75,000 to continue applied research studies on the properties and potential uses of 31 lesser-known species (LKS) identified from Nakavu. These species were assessed on a quarterly basis for their natural durability using stakes exposed in graveyards at Nasinu (11 species), Korotari (9 species) and in Drasa (6 species).

Other activities undertaken this financial year under this Project include:

1. Compilation of R&D 10 Years report,
2. Maintenance and assessments of the three service trial sites in Drasa, Korotari & Nasinu,
3. Density analyses of Kaunigai, Vutukana, Dalovoci and Canarium sp.,
4. Continuous calorific analyses in collaboration with Agriculture Research –Koronivia, and
5. Product Development.

The R&D project aims to continue with the wood property studies of the 11 LKS identified from Nakavu in the next financial year. The Project intends to advance research into local non wood forest species (agar wood, coconut, dilo, sandalwood, bamboo, candle nut) in term of their properties and utilisation. This will largely depend on the availability of research facilities, staff and approved funding.



Figure 26: Assessment of Korotari Trial by the Project Staff

Coconut and other non-traditional forest resources for the manufacture of Engineered Wood Products (ACIAR)

Reviewing the "Research & Development (R&D) Capacity" of the Ministry was necessary to strengthen collaboration with established networks and identify opportunities to collaborate with new members not previously engaged during the project commencement. Recommendations were made on identification of relevant forestry staff to build their research capacity through further studies (MSc or PhD) in line with the lifetime and scope of the current ACIAR FST/2019/128 project as outlined in scholarships like the 2022 or 2023 ACIAR's PASS program.

A spindle-lathe was procured by the previous ACIAR FST/2009/062 project, for training or refresher courses to be conducted on the proper use and maintenance of the equipment before actual conduction of peeling trials on coconut and other non-traditional forest resources.

The team also worked on developing a report on "*Determining the wood quality of 'other' forest resources of relevance*". This report aims to determine the potential use of 31 identified lesser-known species (LKS) or other forest resources in Fiji to compliment engineered wood product manufacture from the information and understanding of wood properties (such as density, heartwood/sapwood proportion, and mechanical, etc.) Upon completion, it is intended to be published as a report or publication in a peer-reviewed journal.

From 10th to 22nd July 2022, 2 officials were part of a team of seven participants from Fiji funded by the ACIAR program to attend the Australian Conference on Society of Wood Science and Technology. The trip was organised by the Queensland Department of



Figure 27: Fiji Delegate (SPC, FNU, and Forestry) & ACIAR team leader Dr. Rob McGavin.

Agriculture and Fisheries (DAF) and to undertake a tour of the industries engaged in the ACIAR project No. FST/2019/128 Coconut and other non-traditional forest resources for manufacturing Engineered Wood Products (EWP).

Research Publications

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

1. Calorific values of selected timber species in Fiji.
2. Wood density analysis of selected lesser known timber species in Fiji.

Strategic Priority 3: Capacity Building (Ministry & Stakeholders)

Forestry Technical Training

Technical Skills Training

Technical skills training conducted this financial year is listed in the Table below. Of the 667 trained, 656 (98.4%) were males, and 11 (1.6%) were females. About 35 participants out of the 667 trained were able to secure work in New Zealand.

Table 26: Technical Skills Training conducted for 2021-2022FY

No.	Type of Training	Dates	Location	Male	Female	Total
1.	HTMB	19/10/21-29/10/21	FPTT Staffs, Nasinu	13	1	14
2.	HTMB	29/11/21-10/12/21	TITC, Nasinu	56	0	56
3.	HTMB	15/11/21-26/11/21	Nadi District, Namotomoto, Nadi	21	0	21
4.	HTMB	7/7/22 -18/2/22	Soa, Nakorotubu, Ra	28	2	30
5.	HTMB	21/2/22- 4/3/22	MOF Labasa	68	0	68
6.	HTMB	7/3/22 – 18/3/22	Vusaratu, Natewa, Cakaudrove	105	2	107
7.	HTMB	21/3/22 – 1/4/22	FPL, Lekutu, Bua	38	1	39
8.	HTMB	4/4/22 – 14/4/22	Visoqo, Namuka, Macuata	49	2	51
9.	HTMB	19/4/22 – 29/4/22	Qelemumu, Labasa, Macuata	71	0	71
10.	HTMB	2/5/22 – 13/5/22	Nabalebale, Wailevu, Cakaudrove	60	0	60
11.	HTMB	13/6/22 – 24/6/22	RFMF@FTC	59	2	61
12.	HTMB	11/7/22 – 22/7/22	Namotomoto, Nadi, Ba	88	1	89
	TOTAL			656	11	667



Figure 28: Participants with their Completion Certificate at the end of the training.

Forest Harvesting Training

The Fiji Forest Harvesting Code of Practice requires that all supervisors, chainsaw and machinery operators working in forestry operations to be trained and certified in the principles of the code as part of their licensing process.

A total of 3 training activities were completed which included skills tests, I.D. card processing and harvesting supervision. Harvesting Supervision Training Module 1 was conducted in Lautoka for 27 participants from various harvesting contractor companies in the west. A total of 211 operators were assessed and deemed competent.

Table 27: Forest Harvesting Training conducted for 2021-2022FY

No.	Type of Training	Dates	Location	Male	Female	Total
1.	Harvesting Supervision Module 1	15/11/21-19/11/21	MOF West	27	0	27
2.	ID Card Processed	Quarter 1 - 4	FPTT Nasinu	56	0	56
3.	Skills Test	Quarter 1	Central Eastern	23	0	23
		Quarter 2		28	0	28
		Quarter 3		10	0	10
		Quarter 4		40	0	40
4.	Skills Test	Quarter 3	West	0	0	0
		Quarter 4		31	0	31
5.	Skills Test	Quarter 3	North	70	0	70
		Quarter 4		9	0	9
	Total Skills Test			211	0	211
	Total Participants			294	0	294

Basic Silviculture Training

The first Basic Silviculture training was conducted in Nabukadra, Nakorotubu, and Ra for 39 course participants from the villages of the district of Kavula and a few villages from the Nakorotubu district. The villages were Nayavutoka, Nabukadra, Verevere, Veidrala and from Nadavacia and Mataso village. The training was conducted from 25 April to 06 May 2022.



Figure 29: Basic Silviculture Training participants with their certificates.

Forest Warden Training

One of the key implementing priorities in the National Forest Policy is the need to "Build capacity and to support forest owners in sustainably managing their forests" through the appointment of 'forest wardens to assist in the policing of forest laws.' The forest policy also mandated the ministry to train resource owners on the environmental requirements stipulated in the management and harvesting licenses and, where possible, engage these trained resource owners in monitoring environmental standards. With this Policy as a guide, the ministry, through the Forestry Training Centre, had trained Forest Wardens and continued to facilitate refresher training in the three divisions in this financial year.

Forest Warden Roles were to:

- provide awareness on forest harvesting activities,
- assist in the policing of all forest laws,
- provide awareness on environmental services of forest to communities,
- monitor forest harvesting operations in remote areas, including maritime islands,
- provide awareness on forest conservation activities,
- report on illegal forest-related activities to Ministry staff.

Table 28: Forest Warden Refresher Training conducted in the 2021-2022FY.

No.	Division	Date	Participants
1	North	30/05/22 - 03/06/22	4
2	West	06/06/22 – 10/06/22	6
3	Central	13/06/22 – 17/06/22	4
	Total		14

Nursery Establishment & Management Training

A total of 3 nursery establishment and management trainings were conducted this year. Details of the training are highlighted in the Table below.

Table 29: Nursery Training Summary

No.	Dates	Venue	Male	Female	Total
1	8/11/21-12/11/21	Nadi District, Namotomoto	20	0	20
2	13/12/21 -17/12/21	Nayaulevu, Tokaimalo, Ra	11	16	27
3	04/07/22 - 08/07/22	Namotomoto, Nadi, Ba	54	1	55
		Total	85	17	102

Timber Industry Training

The Timber Industry Training Centre provides training for timber processing facilities and resource owners. Details of the training are highlighted in the Table below.

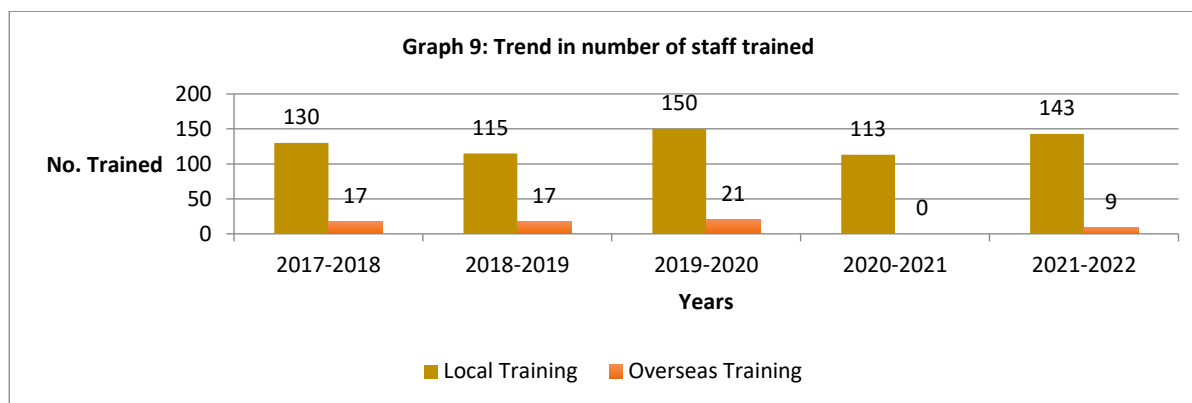
Table 30: Summary of Industry Training for 2021 – 2022

No.	Training	Date	Venue	Participants
1	Portable Sawmill	02/08/21 – 14/08/21	Daku, Kadavu	17
2	Basic Carpentry	02/08/21 – 14/08/21	Lekutu, Bua	55
3	Visual Grading	05/11/21 – 11/11/21	TWI, Drasa	12
		11/04/22 – 14/04/22	Forestry, Labasa	15
		10/05/22 – 12/05/22	GMR, Nakasi	6

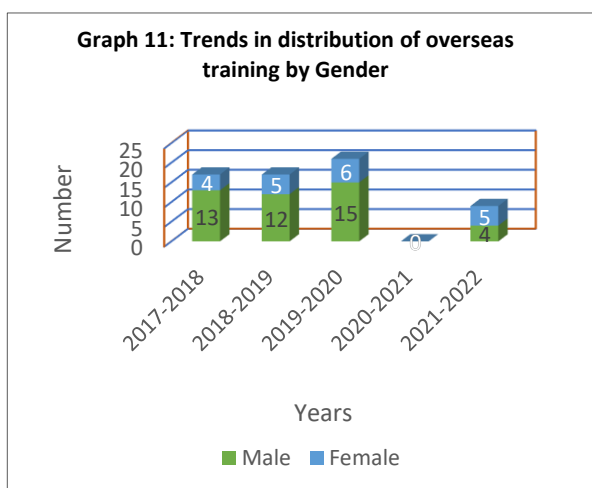
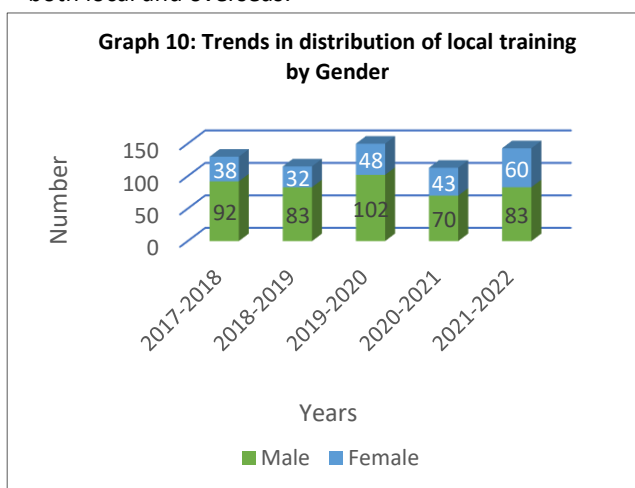
No.	Training	Date	Venue	Participants
4	Basic Sawmilling	27/06/22 – 01/07/22	Forestry, Labasa	11
5	Saw-doctoring	04/07/22 – 08/07/22	Forestry, Labasa	20
6	Timber Seasoning	11/07/22 – 15/07/22	Waiqele Sawmill	17
7	Timber Preservation	18/07/22 – 22/07/22	Waiqele Sawmill	17
8	Timber Machining	Ongoing	Forestry, Nasinu	8
	Total			178

Corporate Training

The graph below shows the five-year trend of staff attending local and overseas training. Altogether, 143 staff participated in regional training in 2021-2022. The number of staff trained during the financial year 2021-2022 increased as a result of uplifting the COVID-19 restrictions. Nine staff attended overseas training after the COVID-19 travel restrictions were uplifted in May 2022.

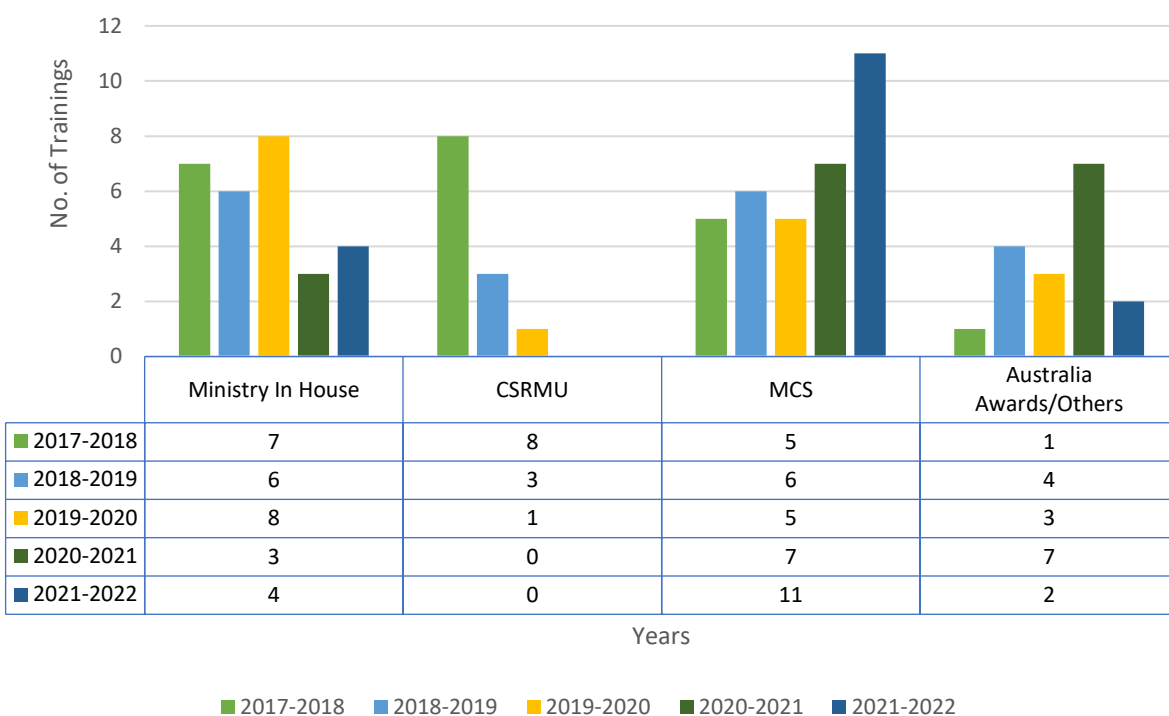


The graph below shows the trend in the distribution of training considering gender equality which was recorded for both local and overseas.



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

Graph 12: Trends in Local Training Conducted



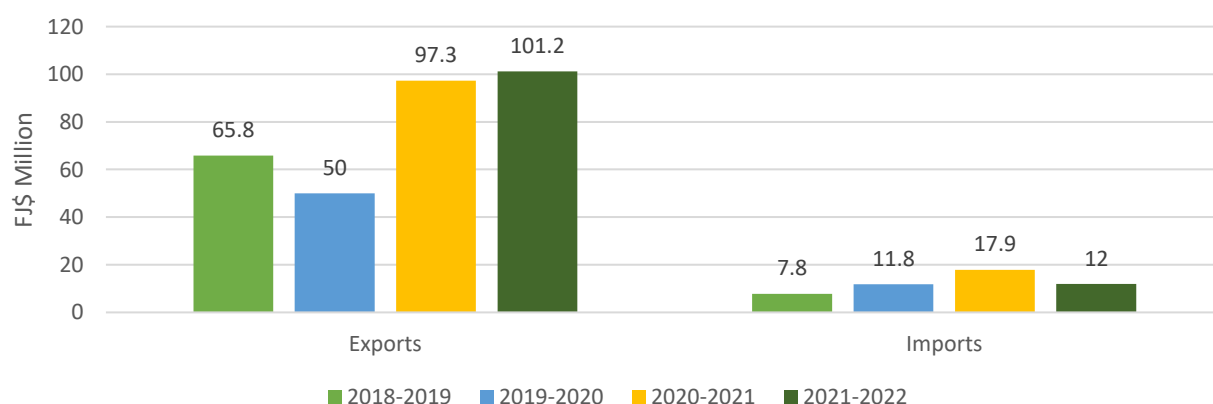
Strategic Priority 4: Stewardship

Trade Facilitation

The launch of the Export and Import Online licensing system last financial year made trading much more efficient and effective for our stakeholders, who can apply for a permit from any location without having to visit the office, especially when the second COVID-19 wave impacted the nation.

This financial year, the export revenue reached a total of \$101.2 million, an increase of \$3.9 million (4.0%) from last financial year.

Graph 13: Exports & Imports of wood products



Exports

From the \$101.2 million export revenue, pine chips contributed the most with a total value of \$50.1 million (50%), followed by sawn timber at \$36.2 million (36%), Slabs at \$8.9 million (9%) and Decking at \$3.5 million (3%).

The major export destinations for 2021-2022FY are China at \$43.2 million, Japan at \$24.9 million, the USA at \$16.0 million, the Dominican Republic at \$4.8 million, Australia at \$3.5 million and Others totalling \$8.7 million.

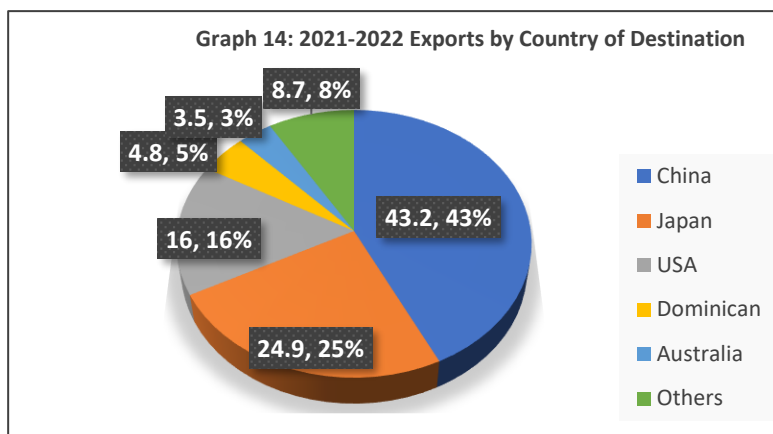


Table 31: Exports by Commodities 2021-2022FY

TOTAL EXPORT VOLUME & VALUE BY PRODUCTS					
Products/Commodities	Volume				Value (FJ\$)
	m ³	mt	kg	pcs	
Wood Chips		359,240			50,088,988.28
Sawn Timber	23,777				36,233,203.02
Slabs	6,522				8,962,070.88
Decking	1,667				3,471,350.09
Dressed Timber	545				745,890.98
Plywood	271				524,989.34
Pine Timber	337				424,109.06
Sandalwood			3,731		372,672.90
Masonite	94				159,879.01
Shiplap	32				48,258.00
Post	33				38,795.35
D45	18				31,925.00
Cut off Logs	18				21,744.00
Tanoa				143	17,450.00
Branches	731				8,496.25
Mango Sticks			1,948		8,240.00
Wooden Artifacts				2,046	7,554.20
Skirting	3				7,499.98
Flooring	4				6,016.26
Floor boards	1				4,600.01
Poles	3				4,153.63
Quarter round	0				1,350.00
Architraves	400				400.00
Coconut Fibre				50	225.00
Total	34,456	359,240	5,679	2,239	101,189,861.24

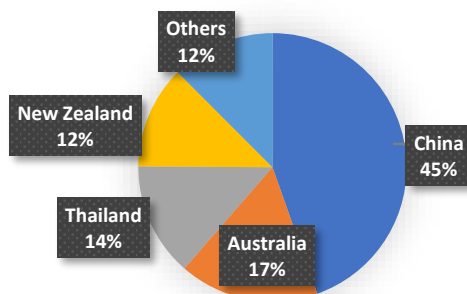
Import

For this financial year, the total import value was FJ\$12.0 million, a decline of \$5.9 million (33.0%) when compared to the previous period. Major imported products include plywood, particle board, hard board, laminated board and sawn timber.

Table 32: Imports by Commodities 2021-2022FY

Products/Commodities	Import Value
Plywood	3,175,330.08
Particle Board	2,699,940.68
Hardboard	1,600,827.10
Laminated Board	853,813.40
Sawn Timber	628,232.31
Others	3,048,543.59
Total	12,003,687.16

Graph 15: 2021-2022 Imports by Country of Origin



Forestry Business/ Investment Guide

The 2021-2022 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.

Wood Utilisation Project

The following activities were undertaken under the Wood Utilisation project.

Table 33: Wood Utilisation Project Activities for 2021-2022FY

Activity	Product	Value	Remarks
Consultation with GM FHCL and field visit	Mahogany harvesting residues for purchase by the Ministry	FOC	MoF to purchase at \$60/m ³
Supply of mahogany logs	Produce 2.160m ³ of sawn timber	\$2,160.00	Grade recovery study using a portable sawmill
Manufacture of 22 double bunks	Double bunks for Nadarivatu Secondary School	\$13,020.00	Total of \$13,640.00
Utilisation of recovered timber for show room double wall	Wall Lining	\$3,600.00	Wall lining ordered by OPM
Manufacture of showroom items	Furniture/ Household items	\$15,604.00	Value of products manufactured from residues
International Day of Forest	Furniture/ Household items	-	FPTT hosted this event
Open Week Show	Showroom items	-	Around 400 visitors received
	Total sales of products	\$6,540.00	Sales from the show and after the show.
Engagement and training of the Vugalei cottage industry	7 participants engaged	-	Participants trained in chainsaw & portable sawmill operation and manufacture of basic timber products.



Figure 30: Wooden products made under the project and showcased in the showroom in Nasinu forestry station

Forest Emissions Reduction Programme (ERP)

Following the acceptance of Fiji's Forest Emissions Reduction Programme Document (ERPD) in July 2019 and the signing of the Emission Reduction Programme Agreement (ERPA) in 2021, the following key activities were undertaken and achieved by the REDD+ team of the Ministry.

1. The completion of the review of the 2011 REDD+ Policy. The revised REDD+ Policy was drafted for finalisation and onward tabling at the Cabinet Ministers' meeting for endorsement and adoption;
2. The development of the methodology for detecting forest degradation through remote-sensing and geographical information system (GIS) approaches;
3. The compilation of the 2005/2006 national forest inventory report;
4. The completion of the integration enhancement capabilities of the National Forest Monitoring System (NFMS);
5. The launching of the Emission Reduction Program (ER-Program) Awareness Campaign Outreach Tool Kit by the Permanent Secretary for the Ministry of iTaukei Affairs in May;
6. The operationalizing of the Feedback, Grievance Redress Mechanism.

7. A Safeguard Officer was identified from within the Ministry to be responsible for assessing the national level of compliance to the UNFCCC safeguards and compiling the national report (Annex 1-3 of the ER-Report for the 1st Monitoring Period).
8. The development of district-level land use maps for the 20 identified ER-Program districts, which will be completed by December. To-date, 10 out of the 20 maps have been developed and endorsed for adoption by the Town and Country Planning.
9. Development of the national forest inventory methodology and conduction of field assessment and collection of field samples for forest carbon calculations.

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.

For this financial year, Dr Randy Hamilton (who joined the Ministry in April 2021 and has expertise in remote sensing and forest monitoring) continued to provide technical assistance to the Ministry to support the REDD+ work and also 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.

Global, Regional & National Partnership

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

Following the signing of the Project Document for the International Climate Initiative on Forest Landscape Restoration in the Yasawa and Mamanuca islands on 17 February 2021, the Project was officially launched for implementation in the islands in December 2021.

The Project aims to restore dry forests in the Mamanuca and Yasawa group of islands and also assist communities with alternative livelihood sources. The Ministry created two project positions to be based in the Yasawas and Mananucas and work closely with the communities and the two NGOs, Mamanuca Environment Society and Vinaka Fiji Yasawa Trust Foundation, to achieve the targeted project outputs.



Figure 31: Launch of IKI project and handing over of gardening tools and bee-keeping equipment to villagers to support livelihood & income generating initiatives.

Action Against Desertification (AAD)

This year marked the conclusion of the AAD project in Fiji, which FAO and the Ministry spearheaded. The AAD Project is an initiative of the African, Caribbean and Pacific Group of States (ACP), [now referred to as the "Organisation of African, Caribbean and Pacific States" (OACPS)] with the objective to restore drylands and degraded lands in Africa the Caribbean and the Pacific and to tackle the detrimental social, economic and environmental impacts of land degradation and desertification. Fiji was fortunate to be the only Pacific Island Country to participate in the AAD project. With a budget of \$1.6million, the following outputs were achieved:

1. Reforestation of 1,133 hectares of land and which contributed to Fiji's 30 Million Trees in 15 Years (30MT15Y) initiative;
2. assisted with the setup of backyard gardens in rural schools and communities with the provision of training, farming tools and seeds;
3. provided beehives and relevant harvesting and value-adding equipment, which have contributed to sustainable livelihood and revenue generation for communities, including women and youths;
4. established 35 project sites across Fiji which have directly benefited about 3,360 Fijians and indirectly benefited up to 2940 more Fijians in 29 neighbouring sites;
5. supported the Ministry's natural disaster rehabilitation programme by providing planting materials and gardening tools.

The AAD project has helped provide tangible results that have benefitted the environment, nature and humanity.

This has been a successful project in empowering communities, especially women and youth, by providing them with livelihood opportunities, renewing their appreciation of and active participation in protecting nature.

It is evident that communities have adopted the AAD Project concepts and objectives have adopted the AAD Project concepts and objectives having taken ownership of the work through the development of women's groups and the birth of community natural resource committees which are locally referred to as the "Yaubula Natural Resource Committee".



Figure 32: At the formal closure and handover of the AAD Project, the Permanent Secretary for Forestry Pene Baleinabuli received the Terminal Report and project assets from Ms. Joanne of FAO to support the Ministry's on-going forest and land restoration efforts.

International Tropical Timber Organisation (ITTO)

The ITTO Project continued to provide alternative livelihood support to the 6 Project sites in setting up Income-generating projects, including a piggery farm for the community of Naivakacau in Buretu together with an apiculture farm for the community of Vutia in Rewa. The Project ended this year, and the Ministry acknowledges the tremendous contribution of ITTO in Japan and the 6 communities of the Rewa delta for their support in project implementation.

GEF 5 Ridge to Reef (R2R) Project

Fiji's GEF 5 R2R project focuses on testing and enhancing integrated management of a series of forested watersheds to protect land, water, forest, and biodiversity resources, maintain carbon stock, and protect coastal mangrove and coral reef marine protected areas (MPA). In the western division, the Ba River catchment and the Tuva River catchment areas were selected, and in Northern Division, Tunuloa and Labasa catchment areas were selected. The R2R project reforestation component was co-managed by the Ministry of Environment and the Ministry of Forestry. Two internationally recognized NGOs, Conservation International (CI) & SPC, were the implementing partners.

Ba catchment

The team with SPC conducted planting at the Ba Upper Catchment Areas from 2021 to July 2022. The allocated area was 270 hectares, both in the Upper and lower Catchment, and the team managed to reforest 254 hectares, with the remaining 16 hectares to be completed by the Ministry before the project period ends.

Tuva Catchment

Conservation International (CI) worked with the Ministry in reforesting the Tuva Catchment. The allocated area targeted to be reforested is 300 hectares, and the team has managed to reforest 216 hectares, with the remaining hectares to be completed by the Ministry and relevant stakeholders before the project period ends.

Tunuloa & Labasa Catchment

90 hectares were targeted for the Tunuloa catchment, and 270 hectares for the Labasa catchment area. The Ministry worked with SPC and members of LOUs in the planting and conducting of survival assessments for the two selected sites.

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 a series of tropical cyclones. Portable sawmills were also delivered to affected communities and pine schemes to assist in the harvesting and processing of timber for housing structures. This year the assistance was mainly in the Lomaiviti, Kadavu and Lau province. A total of 201 house structures were completed by the end of the financial year.

Table 34: Number of housing structures produced

Year	Location	Number
2021-2022	Narocake	31
	Kadavu	74
	Schools (4 schools in Kadavu)	6 qtrs
	Cicia	54
	Matuku	36
	Grand total	201



Figure 33: Operations in the maritime assisting communities with repurposing timber for their housing structures

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 response services, including the provision of vehicles and using the Forestry Training Center since April 2020 as a community isolation facility.

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. Work continued 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.

Human Resource Management Information System (HRMIS)

The Human Resource Management Information System was implemented well across the divisions, and employees were encouraged to fully embrace the system by applying for leave through the employee portal.

Performance Management

The performance assessment module was implemented so that employee performance is done online rather than on paper. The staff across the Ministry were trained on the performance assessment module to enable them to complete their performance assessment for the financial year 2021-2022 online.

Learning and Development

The Ministry managed to execute 57% of the trainings in the training plan for 2021-2022. Due to the Covid-19 restrictions, most of the trainings were conducted virtually. In addition, Ministry also provided Leadership training to band H and above officers through the Ministry of Civil Service and writing skills training in partnership with Australia Awards. Overall, 143 staff attended the local training, whilst 9 staff attended overseas workshops/seminars/conferences and assemblies since May 2021-2022.

Staff Establishment

The Ministry had a staffing strength of 233 (89.3%) out of the 261 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	2	0	0	34	29
2 - Forestry	112	100	85	78	30	26	227	204
TOTAL	143	127	88	80	30	26	261	233

Table 36: Staffing breakdown by gender

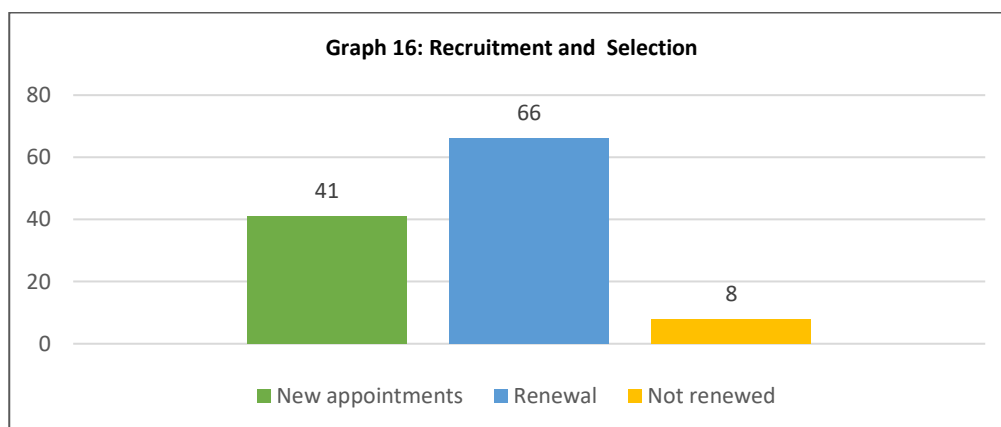
A breakdown of staffing strength by gender shows that 69% of employees are males and 31% are females, with males being particularly predominant in GWE and project roles.

	Male	Female	Total
Established	76	51	127
GWE	63	17	80
Project	21	5	26
Total	160	74	233

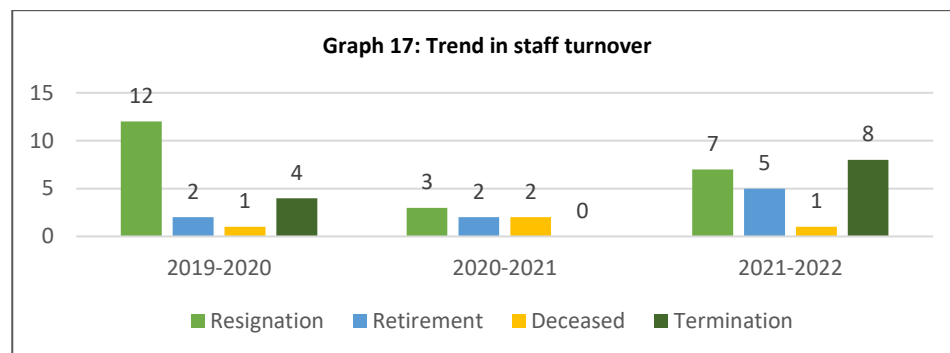
Recruitment and Selection

The vacancies were processed in compliance with the Open Merit Recruitment and Selection Guideline and within the 4-month timeline. Any vacancy that was not processed within the 4 months was withdrawn and re-advertised.

Altogether 107 contracts issued, 41 contracts were issued for new appointments, while 66 contracts were issued for renewal of contracts. 8 contracts were not renewed due to employee underperformance during the financial year 2021 - 2022.



Staff Turnover



Asset Management

Table 37: Activities undertaken by the Assets Unit

No.	Subject	Remarks
1.	2021-2022 Annual Procurement Plan (APP)	APP was completed and submitted to the Ministry of Economy.
2.	Fixed Asset Register	The register was completed and submitted to the Ministry of Economy.
3.	Asset Management Framework	Framework was completed and submitted to Asset Management Unit at the Ministry of Economy.
4.	Board of Survey (BOS)	The BOS team successfully carried out BOS 2021 – 2022 before 31 July.
5.	Disaster Management Recovery Plan and Risk Management Policy 2021-2022	The Plan and Policy were developed and endorsed by the Permanent Secretary for Forestry for implementation in the Ministry.
5.	Tender processes	The Ministry fully completed all tender processes for procurement over \$50,000.
6.	Fleet management	<ul style="list-style-type: none"> The total number of vehicles in the Ministry's transport fleet is 74. This 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 & Office	Four staff quarters and one office at the Colo-i-Suva forestry station were upgraded and renovated.
8.	New Forestry Office - Taveuni	A new forestry office was established in Taveuni to address forestry issues on the island and also to oversee the management of the forest and nature reserves on the island.

Finance

Table 38: Activities undertaken by the Finance Unit

No.	Subject	Remarks
1.	Finance Manual	The 2021-2022 Finance Manual was developed and circulated to all staff of the Ministry for implementation and compliance.
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 was completed and submitted to the Office of Auditor General.
4.	Financial reports	Quarterly financial reports were completed and submitted to the Ministry of Economy.
5.	Audit reports	The Ministry has received unqualified audit reports from the Office of the Auditor General for 2019-2020 and 2020-2021 financial years.

Information Technology (IT)

Table 39: Activities undertaken by the IT Unit

No.	Subject	Remarks
1.	IT Support work	All networking cabling sites have been completed. An approximate of 920 client support was attended in the last financial year A total of 6 conferencing unit were serviced successfully.
2.	Online Systems and Databases	All databases (11) are now functional, including TRS, Insects except for ODK planting database.
3.	Update of Ministry website and intranet	Continuous updates and management of: <ul style="list-style-type: none"> • Online Harvesting License application • Timber Revenue System • Insects Catalogue Application • Ministry Website • Forestry Imports and Exports licensing system

Planning, Statistics and Monitoring & Evaluation

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

No.	Subject	Remarks
1.	2021-2022 Annual Operational Plan (AOP)	The Prime Minister and Minister for Forestry, Hon. Voreqe Bainimarama, published and launched the Annual Operational Plan.
2.	2022-2023 Budget Submission	The Planning team facilitated and consolidated the Ministry Budget submission for 2022-2023 financial year and submitted it to the Ministry of Economy.
3.	2022-2023 Operational Plan	A copy of the draft 2022-2023 Operational Plan was developed and submitted to the Ministry of Economy with its 2022-2023 Budget request.
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 the performance of staff in the Division.
6.	Annual Reports	<ul style="list-style-type: none"> • Aug 2017-Jul 2018 report: (P.P. No.80/2021): published and tabled in Cabinet and Parliament this financial year. • Aug 2018-Jul 2019 report: (P.P. No.81/2021): published and tabled in Cabinet and Parliament this financial year. • Aug 2019-Jul 2020 report: compiled and submitted to management for endorsement.
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. This is circulated to all management team members before the HOD meeting starts every Monday.
8.	Forestry Statistics	Monthly collation and analysis of national forestry statistics for report compilation and dissemination to relevant stakeholders.
9.	2021-2022 Forestry Business Guide	Developed, published and launched together with the AOP.

Public Awareness & Promotion

Table 41: Communications and public relations

No.	Subject	Remarks
1.	Press Release	With a target of 60, a total of 51 press releases were compiled and published.
2.	Newsletters	Four quarterly newsletters (Forestry Focus) were published.
3.	Social media	A total of 165 social media posts were made this financial year.
4.	Ministerial Tours	The Prime Minister and Minister for Forestry and His Excellency the President visited the following places and promoted the forestry agenda:

No.	Subject	Remarks
		<ol style="list-style-type: none"> 1. PM handed over desks and chairs to Kabu Kei Nailoca Infant School in Saqani, Cakaudrove, as Minister for Forestry. 2. PM Bainimarama handed over vehicles and equipment to Narocake Pine Scheme Landowners. 3. The Prime Minister, HE, the President were chief guests at IDOF celebrations in 2 separate locations. 4. HE the President handed over tables and chairs on behalf of the Ministry of Forestry at Nadarivatu Secondary School. 5. PM attended the Lomaiviti Provincial meeting. 6. PM attended the Lau Provincial meeting and handed over a new portable sawmill, a seven-tonne truck, a loader and a 4x4 Toyota Landcruiser to the Lau Provincial Council.
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.



Figure 34: Prime Minister and Minister of Forestry handed over a new portable sawmill, a seven-tonne truck, a loader and a 4x4 Toyota Landcruiser to the Lau Provincial Council during the Council meeting to assist with the harvesting of matured pine trees in the Lau province.



Figure 35: Prime Minister and Minister of Forestry handed over a 7-tonne truck, a 4x4 vehicle and a post peeler to support operations in the Narocake Pine Scheme in Gau.



Figure 36: Open day in Nasinu, where stakeholders and forestry officials explained to the public the work they are involved in and the products they make.

APPENDICES

APPENDIX 1: AUDITED FINANCIAL STATEMENT FOR AUG 2021- JUL 2022

OFFICE OF THE AUDITOR GENERAL

Promoting Public Sector Accountability and Sustainability through our Audits



Level 1, Modyl Plaza
Karsanji St. Vatuwaqa
P. O. Box 2214, Government Buildings
Suva, Fiji



Telephone: (679) 330 9032
E-mail: info@auditorgeneral.gov.fj
Website: www.oag.gov.fj



File: 436/1

30 January 2023

The Honourable Kalaveti Ravu
The Minister for Forestry
Level 3 Takayawa Building
Toorak Road
SUVA

Dear Honourable Ravu

MINISTRY OF FORESTRY

AUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2022

Audited financial statements for Ministry of Forestry for the year ended 31 July 2022 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: Ms. Atelaite Rokosuka, The Acting Permanent Secretary, Ministry of Forestry.

Encl.

MINISTRY OF FORESTRY
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2022

MINISTRY OF FORESTRY
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2022

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OFFICE OF THE AUDITOR GENERAL

Promoting Public Sector Accountability and Sustainability through our Audits



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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 2022, 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 Accountant's *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 Dukuno
ACTING AUDITOR-GENERAL

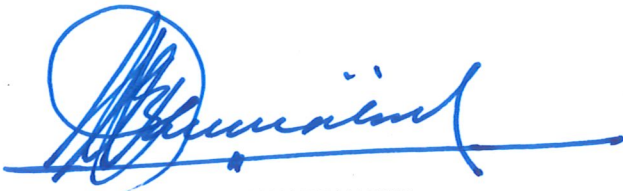


Suva, Fiji
30 January 2023

**MINISTRY OF FORESTRY
MANAGEMENT CERTIFICATE
FOR THE YEAR ENDED 31 JULY 2022**

We certify that these financial statements:

- (a) fairly reflect the financial performance of the Ministry for the year ended 31 July 2022; 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:

28/01/23
.....



Maciu Waqa
Manager Finance
Ministry of Forestry

Date:

27/01/2023
.....

MINISTRY OF FORESTRY
STATEMENT OF RECEIPTS AND EXPENDITURE
FOR THE YEAR ENDED 31 JULY 2022

	Note	2022 (\$)	2021 (\$)
REVENUE			
STATE REVENUE			
Operating Revenue		277,921	264,614
Commission		154	1,127
AGENCY REVENUE			
Miscellaneous Revenue		190,408	98,130
TOTAL REVENUE	3 (a)	468,483	363,871
EXPENDITURE			
OPERATING EXPENDITURE			
Established Staff		3,521,120	3,785,747
Government Wage Earners	3 (b)	1,218,748	1,380,363
Travel & Communication	3 (c)	281,403	400,322
Maintenance and Operations	3 (d)	941,071	1,203,649
Purchase of Goods & Services	3 (e)	580,168	1,048,148
Operating Grants & Transfers		792,759	831,995
Special Expenditure	3 (f)	2,244,435	760,155
TOTAL OPERATING EXPENDITURE		9,579,704	9,410,379
CAPITAL EXPENDITURE			
Capital Construction	3 (g)	2,243,244	2,871,506
Capital Purchases	3 (h)	415,397	1,146,212
TOTAL CAPITAL EXPENDITURE		2,658,641	4,017,718
Value Added Tax		280,671	458,312
TOTAL EXPENDITURE		12,519,016	13,886,409

**MINISTRY OF FORESTRY,
APPROPRIATION STATEMENT
FOR THE YEAR ENDED 31 JULY 2022**

SEG	Item	Budget Estimate (\$)	Appropriation Changes (Note 4) (\$)	Revised Estimate (\$)	Actual Expenditure (\$)	Lapsed Appropriation (Note 5) (\$)
	Operating Expenditure					
1	Established Staff	4,052,304	(102,113)	3,950,191	3,521,120	429,071
2	Government Wage Earners	1,291,869	39,810	1,331,679	1,218,748	112,931
3	Travel & Communication	286,075	406	286,481	281,403	5,078
4	Maintenance & Operations	941,026	3,317	944,343	941,071	3,272
5	Purchase of Goods & Services	607,833	(26,664)	581,169	580,168	1,001
6	Operating Grants & Transfers	798,102	(1,758)	796,344	792,759	3,585
7	Special Expenditure	2,219,382	87,002	2,306,384	2,244,435	61,949
	Total Operating Expenditure	10,196,591	-	10,196,591	9,579,704	616,887
	Capital Expenditure					
8	Capital Construction	2,659,932	-	2,659,932	2,243,244	416,688
9	Capital Purchases	500,000	-	500,000	415,397	84,603
	Total Capital Expenditure	3,159,932	-	3,159,932	2,658,641	501,291
13	Value Added Tax	469,300	-	469,300	280,671	188,629
	TOTAL EXPENDITURE	13,825,823	-	13,825,823	12,519,016	1,306,807

MINISTRY OF FORESTRY

**TMA – MANUFACTURING ACCOUNT - TIMBER UTILIZATION DIVISION
FOR THE YEAR ENDED 31 JULY 2022**

	2022	2021
	(\$)	(\$)
Opening Raw Materials	6,774	13,520
<i>Add: Purchases</i>	-	-
	<u>6,774</u>	<u>13,520</u>
<i>Less: Closing Raw Materials</i>	683	6,774
Raw Materials Used	<u>6,091</u>	<u>6,746</u>
<i>Add: Direct Labour</i>	-	-
Cost of Goods Manufactured transferred to Trading Account	<u>6,091</u>	<u>6,746</u>

MINISTRY OF FORESTRY
TMA – TRADING ACCOUNT - TIMBER UTILIZATION DIVISION
FOR THE YEAR ENDED 31 JULY 2022

	2022	2021
	(\$)	(\$)
Sales	49,820	196,037
	49,820	196,037
Opening Finished Goods	7,122	23,588
<i>Add:</i> Cost of Manufactured Goods	6,091	6,746
	13,213	30,334
<i>Less:</i> Closing Finished Goods	3,172	7,122
Cost of Goods Sold	10,041	23,212
Gross Profit transferred to Profit & Loss Statement	39,779	172,825

MINISTRY OF FORESTRY

TMA – PROFIT AND LOSS STATEMENT - TIMBER UTILIZATION DIVISION

FOR THE YEAR ENDED 31 JULY 2022

	Note	2022 (\$)	2021 (\$)
Income			
Gross profit transferred from Trading Account		39,779	172,825
Total Income		39,779	172,825
Expenses			
Maintenance & Operations		-	25,360
Total Expenses		-	25,360
Net Profit	6	39,779	147,465

MINISTRY OF FORESTRY
TMA – BALANCE SHEET - TIMBER UTILIZATION DIVISION
AS AT 31 JULY 2022

	Note	2022 (\$)	2021 (\$)
Assets			
Cash at Bank		-	1,390,359
Raw Materials		-	6,774
Accounts Receivable		-	73,857
Finished Goods		-	7,122
Total Assets		<u>-</u>	<u>1,478,112</u>
Liabilities			
Accounts Payable		-	-
Deferred Income		-	2,198,548
Deposits & Deductions		-	(23,556)
Total Liabilities		<u>-</u>	<u>2,174,992</u>
Net Assets		<u>-</u>	<u>(696,880)</u>
Equity			
TMA Accumulated Loss		(926,726)	(1,074,191)
Net Profit for the period		39,779	147,465
		<u>(886,947)</u>	<u>(926,726)</u>
Transfers to Consolidated Fund	6	1,447,659	229,846
Clearance of TMA charges upon closure of accounts	6	(560,712)	
Total Equity		<u>-</u>	<u>(696,880)</u>

MINISTRY OF FORESTRY
STATEMENT OF LOSSES
FOR THE YEAR ENDED 31 JULY 2022

Loss of Money

There was no loss of money recorded for the financial year ended 2022.

Loss of Revenue

There was no loss of revenue recorded for the financial year ended 2022.

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	2022 (\$)	2021 (\$)
Computer Equipment	1,699	-
Field Equipment	81,068	28,261
Total	82,767	28,261

MINISTRY OF FORESTRY
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2022

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 the Forestry sectors and improve livelihoods for communities that rely on these resources.

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

The organisation 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 wood energy and carbon trading in the forestry sector.

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

NOTE 2 STATEMENT OF ACCOUNTING POLICIES

(a) Basis of Accounting / Presentation

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

The financial statements are presented in accordance with the Financial Management Act and the requirements of Section 7(1) of the Finance Instructions 2010. 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)

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 expenditure relate to the VAT input claimed on payments made to the suppliers and subcontractors for expenses incurred and VAT payments to FRCS. The actual amount paid to FRCS during the year represents the difference between VAT Output and VAT Input.

(c) Revenue Recognition

Revenue is recognised when 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 2022

NOTE 3 SIGNIFICANT VARIATIONS

For the purpose of comparison of results for the twelve months period covering 1st August 2021 to 31st July 2022 with the corresponding financial period for the 12 months from 1st August 2020 – 31st July 2021.

- (a) The total revenue collected for the financial year from 1st August 2021 to 31st July 2022 was \$468,483.16 compared to \$363,871.11 in 2020 – 2021. The increase in revenue of \$104,612.05 or 29% was due to strengthening of revenue collection in the Ministry because of the boost in the forestry sector in exporting sawn timber and other forests products overseas.
- (b) The government wage earners staff cost was \$1,218,747.64 for the financial year from 1st August 2021 to 31st July 2022 compared to \$1,380,362.65 in 2020 – 2021. The decrease in government wage earners cost of \$161,615.01 or 12% was due to the realignment of positions in the Government Wage Earners of the Ministry as approved by the Ministry of Economy.
- (c) The travel & communication cost was \$281,403.12 for the financial year from 1st August 2021 to 31st July 2022 compared to \$400,322.07 in 2020 – 2021. The decrease in travel & communication costs of \$118,918.95 or 30% was due to reduction in forestry operational activities, proper control and monitoring of official vehicle runs, overtime, usage of official phone, mobile phone and WIFI.
- (d) The maintenance & operation cost was \$941,071.35 for the financial year from 1st August 2021 to 31st July 2022 compared to \$1,203,649.00 in 2020 – 2021. The decrease in maintenance & operation cost of \$262,577.65 or 22% was due to the reduction in maintenance of vehicles as new replacement vehicles were issued from MOE. There was a decrease in area of operation during COVID 19, thus contributing to decrease in usage of fuel and oil and vehicles maintenance.
- (e) The purchase of goods and services cost was \$580,167.93 for the financial year from 1st August 2021 to 31st July 2022 compared to \$1,048,148.35 in 2020 – 2021. The decrease in purchase of goods and services cost of \$467,980.42 or 45% was due to the realignment of activities and proper compliance with the Ministry's procurement plan.
- (f) The special expenditure cost was \$2,244,435.47 for the financial year from 1st August 2021 to 31st July 2022 compared to \$760,154.80 in 2020 – 2021. The increase in special expenditure cost of \$1,484,280.67 or 195% was due to the increase in expenditure in the REDDPLUS World Bank Component, Sustainable & Management of Mangrove in the Rewa Delta and other special projects under SEG 7.
- (g) The capital construction cost was \$2,243,244.28 for the financial year from 1st August 2021 to 31st July 2022 compared to \$2,871,505.96 in 2020 – 2021. The decrease in capital construction expenditure cost of \$628,261.68 or 22% was due to the reduction in REDDPLUS Fiji Component activities, RDF activities and other capital construction projects activities under SEG 8.

MINISTRY OF FORESTRY

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED 31 JULY 2022

NOTE 3 SIGNIFICANT VARIATIONS (continued)

- (h) The capital purchase cost was \$415,396.60 for the financial year from 1st August 2021 to 31st July 2022 compared to \$1,146,211.94 in 2020 – 2021. The decrease in capital construction expenditure cost of \$730,815.34 or 64% was due to the reduction in Maritime Pine Project activities.

NOTE 4 APPROPRIATION MOVEMENTS

Appropriation movements were made through virement as follows:

Summary

Virement Number	Virement In	Virement Out	Approved Amount (\$)	Approved By
DV3201	SEG 5	SEG 4	\$ 10,658	PS FORESTS
DV3202	SEG 1	SEG 3	\$ 27,680	MINISTER MOE
32001/21-22	SEG 1	SEG 2	\$ 12,000	PS MOE
DV3203	SEG 4	SEG 7	\$ 49,640	
	SEG 5	SEG 7	\$ 35,604	
	SEG 6	SEG 7	\$ 1,758	
	SEG 7	SEG 7	\$ 1,806	
	Total DV 3203		\$ 88,808	PS FORESTS
DV3204	SEG 1	SEG 4	\$ 53,002	
	SEG 1	SEG 5	\$ 9,301	
	SEG 4	SEG 4	\$ 1,823	
	SEG 4	SEG 3	\$ 406	
	SEG 5	SEG 4	\$ 1,005	
	SEG 4	SEG 5	\$ 644	
	Total DV 3204		\$ 66,181	PS FORESTS
DV32002	SEG 1	SEG 2	\$ 29,037	
	SEG 2	SEG 2	\$ 672	
	SEG 1	SEG 1	\$ 1,753	
	SEG 1	SEG 1	\$ 146	
	SEG 1	SEG 1	\$ 19,373	
	SEG 2	SEG 2	\$ 9,572	
	Total DV 32002		\$ 60,553	PS FORESTS
			\$ 265,880	

MINISTRY OF FORESTRY
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 JULY 2022

NOTE 5 SIGNIFICANT APPROPRIATION SAVINGS

Significant savings for the financial year ended 31 July 2022 are as follows:

Ref	Expenditure	Revised Budget	Actual Expenditure	Savings	Percentage Savings
	(\$)	(\$)	(\$)	(\$)	(%)
a)	Established Staff	3,950,191	3,521,120	429,071	11%
e)	Capital Constructions	2,659,932	2,243,244	416,688	16%
f)	Capital Purchase	500,000	415,397	84,603	17%

- a) There was savings in Established Staff of \$429,071 due to the non-filling of 16 vacant positions amounting to \$397,569 and 6% as payment of FNPF.
- b) There was savings in Capital Construction of \$416,688 due to the non-utilization of funds for Upgrading of Roads at TUD Nasinu amounting to \$300,000 that was given in the 4th Quarter revised budget. This was due to the shortage of time and scope of work and delays from companies to attend to the site and scope inspection. There was savings also in the Reforestation and Degraded Forests allocation as some of the government approved vendors failed to meet the standards requirements as outlined in the GTB Agreement in the purchase of seedlings.
- c) There was savings in Capital Purchase of \$84,603 due to the non-fulfilling of most of the activities in the Maritime Pine Capital Projects. Most of the activities in this project are carried out in the maritime areas and the delays in the shipping travel hindered the Ministry from achieving its deliverables.

NOTE 6 TRADING AND MANUFACTURING ACTIVITY

- There was a Net Profit of \$39,779 for the financial year 2021 – 2022 compared to net profit of \$147,465 in 2020 – 2021. This was due to the closure of TMA Operation as directed by Ministry of Economy.
- Upon closure of the TMA operation, cash amounting to \$1,447,659 was transferred to the Consolidated Fund Account as approved by the Ministry of Economy.
- TMA charges amounting to \$560,712 were cleared to the equity account.

MINISTRY OF FORESTRY

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED 31 JULY 2022

NOTE 7: STANDARD LIABILITY GROUP (SLG) 84

The Ministry's SLG account comprises of the following accounts:

1. Community Based Restoration & Sustainable Management of Vulnerable Forests in the Rewa Delta - funds were released from the Ministry of Economy amounting to \$106,944.31 to be used in the reforestation of the Tailevu and Rewa Delta Projects. The balance of funds amounting to \$36,918.36 was returned to Ministry of Economy at the end of the financial year.
2. International Climate Initiative Project (IKI) - funds were released from the Ministry of Economy amounting to \$93,000 for the financial year 2021 - 2022 to be used in the reforestation and restoration of the Mamanuca and Yasawa Islands. The balance of funds amounting to \$821.64 was returned to Ministry of Economy at the end of the financial year.

NOTES

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Comments and enquiries should be directed to:

The Permanent Secretary
Ministry of Fisheries and Forestry
Level 3 Takayawa Building
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