### iTaukei 1/5 iTaukei Land, Our Heritage, Our Future Issue 5 September - December, 2017

### The official newsletter of the iTaukei Land Trust Board



Mr Navin Chandra, the Chief Operating Officer of the Fili Sugar Corporation with one of their new tractors

## **JOINT VENTURE** The way to go for landowners and FSC

А Understanding between the iTaukei Land Trust Board (TLTB) and the Fiji Sugar Corporation (FSC) is expected to increase landowners' participation in the sugar industry through joint ventures.

General Manager Mr Tevita Kuruvakakdua said that in the broader context of the MOU, TLTB would fully support the Government's objectives with the sugar industry who was now requiring 12,000 hectares of land in the next three (3) years to realise FSC's objective of setting up large scale farms.

"To ensure consistent supply of sugar cane to all FSC mills, joint ventures with landowners are being pursued by FSC with TLTB's assistance so that the sugar industry can fully realise its objectives," he said.

"The MOU between TLTB and FSC is to formalise an understanding that we will continue to work together in fulfilling our respective responsibilities under the relevant mandates and policies and assisting one another in fast-racking services needed by TLTB from FSC and likewise FSC from TLTB in

meeting the needs and requirements of our stakeholders" he added.

Some of the areas of understanding reflected in the MOU included:

Exchanging ideas and information 1. for the better performance of their respective roles;

- newly signed Memorandum of 2. Engaging in proactive avenues to address issues on agricultural lease ground rent and management of rent arrears on leases under cane contracts:
  - 3. Assisting each other where necessary through the sharing of data and information for the efficient and effective delivery of service to mutual customers:
  - Assisting each other where necessary 4. in building the capacity of staff through awareness sessions, training through workshops and seminars;
  - Assisting each other through expedient 5. processing of leases for FSC estates and joint venture farms and similarly the settlement processes by FSC;
  - Addressing disputes by engaging in 6. good faith through discussions to resolve the same;
  - Promote consultation and discussion 7. of common areas of interest such as emerging concepts and issues relating to land management best practices, changes in the FSC policies pertaining to the sugar cane industry and Lease processing requirements to name a few.

### **TLTB** has improved: Ratumudu

A LOT of positive feedbacks have been received by the iTaukei Land Trust Board (TLTB) from stakeholders in terms of how it is conducting its land management services.

Speaking at the Fiji Institute of Valuation & Estate Management (FIVEM) annual conference in Nadi in November director of the land use unit (Department of Lands) Ms Taraivini Ratumudu said TLTB had really improved.

"It's not the TLTB that we know of anymore. It's a totally new organisation with new leadership and team with modern skills and know-how of how a land management service organisation should be managed," she said.

"Although there is still room for improvement they have raised the bar in the last two or three years especially in terms of service delivery as well as in the use of modern day technologies.

said TLTB's overall Ms Ratumudu improvement in embracing new technologies and innovative ideas in their service delivery are to be commended.

Two papers were presented by TLTB at the conference with the title (i) "The Data Conundrum in the Context of TLTB Lease Premium and Rental Rate Trends" and (ii) "Geospatial Tools in Land Management".

At present TLTB holds the presidency of the FIVEM Council through the appointment of its Deputy General Manager Operations, Research & Development, Mr Solo Nata.



Land Use Unit director Ms Taraivini Ratumudu



### iTaukei Land Trust Board

### From the GM's Desk



Welcome to the last issue of the *TLTB News* this year!

2017 has been a challenging year for TLTB as we try to cope with ever changing goal posts of the inevitable change.

But first, it's that time of the year again where we have to put together our Strategic Corporate Plan for 2018. By and large, the Board Sub-Committees have finally met to provide scrutiny to the Management and improve corporate governance.

In terms of development, a new model of hydro electrification is now in place for Namosi. Our annual turnover has almost increased three times from \$55m to \$70m which contributed to the \$26m in lease funds for minors at HFC bank. Most have witnessed how far TLTB has come in terms of its IT infrastructure and GIS capability.

For landowners, mataqali Cu of Sikituru Village provided another business model by keeping some of their LOU funds for various types of development including purchasing a high-end residential property in Lautoka. There is also an approach called the LED developed by the ILO which TLTB is benchmarking against to develop local economies particularly the landowners who are the springboards for national development. We are also trying to put things into perspective by providing key itaukei land facts and information to educate the general public on how TLTB came about before and after 1940.

As the demand for itaukei land increases in 2018 we will complete the Greater West Master Plan to control the use of land through better analysis and planning.

In brief, the opening of the new Ba Office, new policies to guide staff behavior, iTaukei entrepreneurship, land availability, new uniform, identification of potential businesses and Christmas donation are all areas of importance for TLTB.

A Merry Christmas and a Happy New Year to all.

Ulurmandedue

Tevita Kuruvakadua General manager

# **\$26m investment** for iTaukei minors

THE iTaukei Land Trust Board (TLTB) has successfully invested \$26.3 million at the HFC Bank on behalf of the iTaukei landowners under 18 years old whose land have been leased out.

General Manager Mr Tevita Kuruvakadua said this was a huge achievement for TLTB under the Equal Rent Distribution Policy (ERD) that started in 2015.

"Minors funds are invested at the rate of 2% and will be released with interest earned once minors turn 18 years," he said.

Out of the total investment at HFC, about eight minors have over \$100,000 in their bank accounts, two have a balance of over \$50,000 in their bank accounts and 209 have a balance of more than \$10,000 in their accounts.

At present, a total of 33,060 have their money invested and the total to be shared amongst them is \$26.3 million.

Currently, a total of 5,068 minors with a balance of less than \$10 have been



iTaukei students of Macuata at the Technical College of Fiji who will benefit from minors investment at the HFC Bank

withheld by TLTB and investment will only be made once it can earn an interest as planned.

This has resulted in TLTB's increase in annual turnover which has almost increased three times from \$55m to \$70m which contributed to the \$26m in lease funds for minors at the HFC Bank. ■

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# A new LOU business model

THE *Mataqali* Cu of Sikituru Village in Nadi will soon realise the fruits of their investment from a \$390,000 residential property they bought in Lautoka recently. The landowning unit include the *tokatoka* of Rewasali and Navutu whose land have been leased and of which \$953,000 was received from the iTaukei Land Trust Board (TLTB) as premium or lease monies.

Turaga ni Mataqali Mr Amenio Bebe said they just took heed of the financial advice provided by TLTB officers in Nadi to lay a good financial base as a foundation for the lives of their children and their future generation.

"We received \$953,000 as premium from TLTB but we were fortunate to have been given some advice on some of the viable options that we can tap into. Now, they are receiving money on a regular basis and a creating a lot of wealth as well as from other economic activities wherever they are," he said.

The lump sum payment of the \$953, 000 as premium was made by SGV Pacific Properties Ltd – one of their tenants who is leasing a piece of their land.

It was those ideas that drives the will and build confidence in them to assign \$540,000 to their own *mataqali* trust account so that they can purchase a residential property at Ram Asre Rd in Lautoka - their first ever investment project. The property consists of a master bedroom, two bedrooms, a study room with porches in front and at the back of the building. After the completion of that transaction, the *mataqali* then engaged the service of Ram Sewak & Co to renovate the house for about \$19,000.

The landowning unit is planning to purchase another property in Lautoka by the end of the year but that does not stop them from helping their very own *mataqali* members to improve their health, sanitation and standard of living. After analysing the

increasing demand and movement of people along the Nadi and the Denarau corridor, a working committee was formed to identify a new line of business to diversify their investment which gave birth to the formation of their own transportation business.

Not only a new revenue stream was identified, it had also promised continued employment to their youths who are now working as drivers.

The committee was also tasked to ensure that their ten household in their landowning unit must have a flush toilet each. These were successfully carried out together with the renovation and maintenance to some of their bathrooms with an incurred expense of around \$20,000. ■

Photo 1: (L-R) Turaga ni Koro & Trustee Mr Sailasa Dunibitu, TLTB's EO Mataiasi Bolatagane, Turaga ni Mataqali Mr Amenio Bebe Photo 2: Ram Arse Road property in Lautoka. Photo 3: Mataqali Cu's transportation business in Nadi.

# Hydro Fiji in Namosi

A SPECIAL licence for access, exploration and feasibility study has been issued by Hydro Fiji VL Pty Ltd for the purpose of conducting studies on building a series of hydro power projects in Namosi.

Manager Central Eastern Mr Soloveni Masi said the term of renewal of the license was six months after which Hydro Fiji would be given a 30-year lease term to run their three proposed power stations in Namosi.

Hydro Fiji is expected to then sell a total of 30 megawatts of electricity to the Fiji Electricity Authority (FEA) when the projects are completed. It is an aim of the Government through its National Energy Policy is for 80% of all electricity to be generated by renewable sources by 2020 and 100% by 2030 thus it will require foreign investors in renewable energy to assist in achieving this target.

Mr Masi said Hydro Fiji would surely contribute substantially towards this Government objective.

For the three (3) projects involved, there are altogether 22 landowning units all of which have been consulted and consent given:



Manganese exploration at Nasaucoko in Navosa

- Wainikoroiluva Dam 11 landowning units;
- Wainikovu Dam 7 landowning units;
- Waivaka Dam 4 landowning units.

Support has also been shown by the Tui Namosi Ratu Suliano Matanitobua, the Provincial Administrator (Namosi) as well as the Assistant Roko Tui Namosi towards this project.

Mr Masi said this new development was different from the hydros that had been constructed in Fiji in the past as there

would be no large dam construction like the Monasavu and Somosomo Hydro.

"There will be no long-term storage of water as all Hydro Fiji's projects are designed to avoid flooding," he added.

In terms of benefits each landowning units :

- Rental payment during exploration and lease period whcih will be assessed after every fifth year;
- Additional royalty based on electricity sold to FEA shall be through TLTB for the landowners;
- Compensation shall be paid for any damage to crops, fruit trees and merchantable timber during the exploration period;
- Landonwers will be employed whether skilled or as unskilled workers;
- Village will access to clean energy electricity;
- Create more business opportunities;
- Improved infrastructure including roads and communications and their standard of living;
- Opportunities for business development for village people.

The license will expire on 8th April 2018. ■

# Local economies are the springboards for development

THE principle of the Local Economic Development (LED) approach is an important framework that TLTB is trying to promote when working with communities to formulate development models for them.

General Manager Mr Tevita Kuruvakadua said TLTB could assist landowning units and their members to bring about tangible projects for the local communities.

LED focuses on local advantages and provide communities with the means to boost local economies and create jobs.

"We have a unit called the Landowners Affairs Unit (LAU) that was created to provide assistance that will provide the landowners with a strong foundation to make a fully informed decision as they think about utilising their funds in



Farming or agriculture is a top bet for landowners and is an area of importance for the Government

business, education, investment (units and stock) and even in acquiring fixed assets.

The LED approach is similar to what we are trying to do at TLTB because it is also trying to address the challenge of poverty, social exclusion and problems of work or employment for the local communities especially the landowners," Mr Kuruvakadua said.

The process tool (LED) was developed by the Internal Labour Organisation (ILO) for the people of Koro (2 *tikina* and 14 villages) and is still at policy stage.

"To develop the communities in Fiji we need to use this bottom-up approach converged with national frameworks and ensures coherence and integration among priority areas, strategies and programs across policy areas at different level," he said.

"If we can identify economic and social issues we can also work together to solve them collectively and move forward in a systematic manner," he added.

He said TLTB had adopted a similar approach towards development. ■

# The genesis of iTaukei land distribution

THERE are three major categories of land in Fiji:

- Freehold Land managed by the Registrar of Titles and can be sold or leased.
- State or Crown Land managed by the Lands Department (Government) which can be leased but not sold.
  - c. iTaukei Land managed by TLTB which can be leased but not sold.

### How did freehold land came into place?

When the European settlers first came to Fiji they bought some parcels of land from the landowners using guns, alcohol and other valuable items at that time as a medium of exchange.

After Fiji was ceded to Great Britain in 1874, the Colony then decided to investigate all land parcels bought by the European.

In 1876, the first land laws came into force and were called the Land Claims Ordinance which allowed for the establishment of the Land Claims Commission whose responsibility was to investigate all land sales in Fiji. All those land that were found by the Commission to be properly procured were then given to the Government and recorded as Crown Grant.

Close to 400,000 acres of the total landmass in Fiji were recorded as freehold after the work of the Land Claims Commission was completed in 1881.

In 1582 all Crown Grants were approved by the Government before land sales were stopped and deemed as illegal.

However, between 1905 and 1908 Governor of Fiji Sir Everard Imthurn allowed for the selling and buying of iTaukei Land for development and public purposes. Land that were sold and bought during this

period were called Native Grants and was about 206 parcels altogether. There was no other itaukei land sale after that.

In 1905, the Native Land Ordinance came into force and the sale of iTaukei land became permanently illegal.

### What type of land are those that are now known as State Land?

Again there are four major types and are described as follows:

- Schedule A Land These are itaukei land that was transferred to the Government when their owners have become extinct under the Native Land Ordinance and the iTaukei Land Trust Act [all these land have been reverted back to to TLTB in 2002]
- Schedule B Land All land that were unclaimed during the initial Land Claims Commission in light of our laws particularly the Native Lands Ordinance and Section 19 of the iTaukei Lands Act (unclaimed/vacant lands)... [all have been reverted to TLTB in 2002]
- State Freehold Land Land initially acquired by some individuals and later bought by the State - most of which were bought from the Colonial Sugar Refining Company Ltd (CSR).
- State Foreshore land under the water in rivers and streams and under the sea's high water mark anywhere within Fiji's EEZ.

### How was the itaukei land distributed to the native people and by whom?

• Ordinance 21 of 1880 – Legalisation of the owners of itaukei land (Native

Land Tenure).

- Ordiance of 1882 Work of the Native Lands Commission began and a Commissioner appointed to start the investigation of itaukei land ownership.
- Ordinance IV of 1905 all itakei land laws put together under the iTaukei Lands Act (Cap. 133).
- The iTaukei land laws gave power to the Native Lands Commissioner to divide all land in Fiji between the native people with clearly marked boundaries.
- The first Native Land Commissioner was Mr Basil Thompson who started his work in Rewa in 1890 then moved to Naitasiri, Tailevu and Colo-East.
- Mr David Wilkinson was the next Native Land Commissioner and worked in Ba and Yasawa in 1892. Mr Wilkinson did not divide the land to each yavusa, mataqali and tokatoka.
- G. V. Maxwell and Boyd continued the work of the Commission together with Ratu Savenaca Seniloli and Ratu Vereniki Raiwalui. They covered Colo-West, Nadroga, Lau and Ba in 1911 and helped put together the Register of Native Land.
- Ratu Sir Lala Sukuna then carried on the work until its completion in 1938 although the province of Lau was yet to be demarcated.
- It was at this time when the investigation of land under Native Reserves started as well as the ground work for the birth of NLTB, now known as TLTB.

# Greater West Master Plan covers Deuba-Lautoka-Rakiraki-Korovou corridor

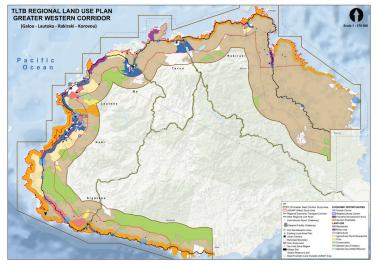
THE new iTaukei Land Trust Board's (TLTB's) Greater West Landuse Masterplan is now at its consultation stage covering Deuba through to the coastal western side of Viti Levu right up to Korovou Town (Tailevu).

Senior Land Use Planner Mr Epeli Nadraiqere said the plan would extend along the coastal regions through to Sigatoka, Nadi, Lautoka, Ba, Tavua and Rakiraki.

"The Greater West working boundary further extends 10 kilometres inland from the main highway along the Queens

Road and Kings Road to enable maximum landuse planning for iTaukei land tenure within these areas," he said.

Deputy General Manager Operations, Research & Development (DGMORD) Mr Solo Nata said the plan would complement the Greater Suva Area Land Use Master Plan which was completed and approved early this year.



The proposed Greater West Deuba-Lautoka-Rakiraki-Korovou Masterplan

According to a recent Asian Development Bank report Fiji has a population of about 868,000, of which 53% is urban. By 2030, it is estimated that two in three Fijians will be living in the country's urban centers.

Fiji's urban sector accounts for 60% of the country's gross domestic product, with the share of the Greater Suva Area (GSA) estimated at 40%.

The GSA, which consists of Suva City the national capital as well as the towns of Lami, Nasinu, and Nausori and their surrounding peri-urban areas, accounts for 57% of Fiji's urban population. By 2021, the population of the GSA is expected to grow by 16%.

The country's Urban Policy Action Plan, developed with ADB's assistance, is intended to support efficient, effective, and sustainable urban development that can make

an optimal contribution to the social, economic, and environmental development of Fiji.

Under this plan, an urban growth management plan (UGMAP) was developed for the GSA, which aims to strategically address critical urbanisation issues with a focus on peri-urban areas and informal settlements.

# **Committees to boost internal governance**

THREE Board Sub-Committees had started to meet and looking into the three key areas of importance for the iTaukei Land Trust Board's (TLTB's) strategic directions in relation to its Corporate Governance Framework. TLTB's internal governance structure seeks to expound how the structures, policies and practices of the Board are integrated.

The Corporate Governance Framework of the TLTB is aimed at ensuring that the objectives of the Board are always met with economy and efficiency, and that in the process of meeting those objectives, the broader aspects of corporate responsibility are at all times, maintained.

The three Board Committee's and its membership are as follows:

### 1. Board Human Resource Committee:

- Mr Lawrence Tikaram (Chairman)
- Mr Isikeli Tikoduadua
- Ms Wainikiti Bogidrau

### 2. Board IT Committee:

- Mr Isikeli Tikoduadua (Chairman)
- Ro Epeli Mataitini
- Ratu Tevita Momoedonu



General Manager Mr Tevita Kuruvakadua and the Chairman of the IT Sub-Committee Mr Isikeli Tikoduadua at its first meeting at the Head Office in Suva

### 3. Board Governance, Audit & Risk Committee:

- Ratu Tevita Momoedonu (Chairman)
- Ratu Savenaca Ritova
- Mr Alipate Radrodro
- Independent Member (Vacant)

The purposes of these subcommittees are:

- For Board Members to assist in the governance, administration and control aspects of the Board;
- To strengthen and uphold good gov ernance practices;
- For effective administration and management;

- To create accountability for Management toward the Board Sub-Committees;
- To receive constructive advice and critiques directly from the Board Committees.

With reference to recommendations made by the Fiji Business Excellence Award Feedback Report, internal and external audit reports and FICAC Assessment Reports, the Executive Board of Directors made a commitment to strengthen the governance aspects of the organisatioon as per recommendation received thus the formation of these sub-committees.

### **IN BRIEF**

#### Goodman Fielder secures industrial lease



Board Member Ro Epeli Mataitini receiving the cheque from GFI GM Mr Chris Zaayman

IN line with TLTB's vision to provide excellent land management services to meet the expectations of all stakeholders, the iTaukei Land Trust Board (TLTB) had finalised the leasing arrangement for 26.5 acres of Mataqali Qoma land in the village of Vuniniudrovu in Naitasiri to Goodman Fielder International (Fiji) Ltd. The arrangement provided the payment of \$1.2 million to the iTaukei landowners as premium for a new 99-year lease. The cheque was presented by Goodman Fielder's General Manager Mr Chris Zaayman to TLTB's Board Member Ro Epeli Mataitini.

#### Easy access to land

FROM 2018 onwards, all TLTB regional offices will have their own Land Availability Teams to package all available land into ready-to-lease blocks. In making the decision, the TLTB Board noted the longer it takes for a person to apply for a lease before he/she gets hold of a title. Deputy General Manager Operations, Research & Development (DGMORD) Mr Solo Nata said TLTB would have its own land bank where agricultural, residential, commercial and industrial lots were kept so that it's easy and less time-consuming for applicants to identify and apply for.

#### Grant for iTaukei entrepreneur

TLTB is trying to develop the iTaukei Community who are the principal stakeholder of the statutory institution and body-corporate formally known as the iTaukei Land Trust Board (TLTB). In 2017, a total of \$200,000 has been distributed to landowners' who wants to develop their own land through an approved SEED Grant Scheme. Next year, the TLTB Board has approved that the budget be increased to \$350,000. The idea is to support itaukei landowners to actively participate in business entrepreneurship and economic development.

#### More demand for itaukei land

THE demand for itaukei land has been increasing in past years and TLTB is anticipating the same in 2018. General Manager Mr Tevita Kuruvakadua said the increase in demand showed investor confidence in the Fijian economy. As the economy grows more and more people are looking up to TLTB who had about 91% of the land in Fiji. TLTB now manages about 42,000 leases – 1,700 alone were given out this year.

### **Potential business identified**

THROUGH the Landowners Affairs Unit (LAU) TLTB have identified some of the potential businesses in Nabobuco and Veinuqa in Namosi. The areas are: (i) Nursery of Yaqona Plants (ii) Yaqona Pounding Machines (iii) Mini Service Station (iv) Bread Shop (v) Chicken Shed (meat and eggs). This was part of the first phase of Entrepreneurship Training conducted in October by the department for the landowners of Monasavu. The purpose of the 2-day training was for the participants to identify suitable and realistic business ideas.

#### **New TLTB uniform**



The new TLTB Bula Wear outfit on display during the launch in Suva

THE internal Uniform Committee finally delivered TLTB's new set of corporate uniforms including the bula wear for both; men and ladies as well as field wear for operations staff. General Manager Mr Tevita Kuruvakadua said the standards have risen to a new level and we must make sure that as an officer of the Board we must rise to those challenges. "This is being paid by the Board and is a sign of commitment and belief that you as an employee will deliver the results that we want. It's important that we motivate our fellow staff to uphold our values and protect TLTB's corporate image," he added.

#### **Christmas gift for Samabula Home**



TLTB staff and staff of the Samabula Old People's Home after the presentation of their Christmas gift

General Manager Mr Tevita Kuruvakadua led TLTB staffs to donate more than \$1000 worth of ceiling fans, bath towels, bed sheets, garbage bags, chopping boards, adult diapers, fruits and vegetables to the Samabula Old People's Home in Suva. Managed and run by the Social Welfare Department the much needed help was identified and upon enquiry; it was then bought and delivered as part of their CSR initiative. Staffs also had time to sing Christmas Carols and prayers. It was somewhat a wakeup call for some of us that while we take life for granted and do not appreciate the wealth of things we have and friends we enjoy; there are people close to us who are going without a comfort life.

#### New office for Ba

THE people of Ba are expected to enjoy the full services of a TLTB office from January next year when it opens its fifth regional office at the north-western town of Ba. At present there are about 2,500 leases in Ba carrying \$3.7 million worth of lease monies. TLTB general manger Mr Tevita Kuruvakadua said the new office was also expected to support the Tax Free Zone as an incentive for development by the Government. There will be 16 new positions created for this new establishment.

### **MOU with FSC**

The Memorandum of Understanding (MOU) was signed in December 2017 in Suva between the Fiji Sugar Corporation (FSC) and TLTB. General Manager Mr Tevita Kuruvakadua said, "the signing of the MOU between TLTB and FSC is to formalise our understanding that we will continue to work together in fulfilling our respective responsibilities under the relevant mandates and policies and assisting one another in fast-racking our services in meeting the needs and requirements of our stakeholders". Further, he added that looking at the broader context the MOU would support the Government's objectives with the sugar industry now requiring 12,000 hectares of land in the next three years.

# \$100m Tuvatu mine starts again

A GOLD mining company in Sabeto, Nadi had invested over \$100 million in projects leading up to its new operations in the upper reaches of the Sabeto River and Navilawa Caldera.

At the ground breaking ceremony in November this year Minister for Trade, Industry, Tourism, Lands and Mineral Resources Faiyaz Koya congratulated Lion One Ltd Mines for their ongoing belief in the government of the day and the people of Fiji.

"Finances committed by the company to date has amounted to approximately \$100 million in various forms of operations such as the exploration work, mine preparatory plans, environmental management measures and of course contributing to the economy through employment of its skilled Fijian workforce.

It employs 50 locals and about 3 expatriates and this will surely increase in the near future.

It is also expected to create new employment and business opportunities and improve the health, educational facilities and infrastructure that would go down well for the people of Sabeto.

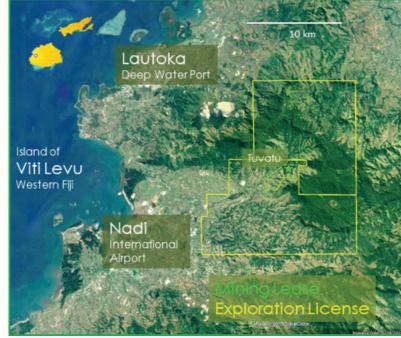
General Manager Mr Tevita Kuruvakadua

acknowledged the landowners and the support given by the 20 mataqalis whose land is the centre of this exploration and mining works.

"To all the Turaga ni Mataqali, thank and vinaka vou vakalevu for your continued support and belief," he said. Tuvatu is the largest undeveloped gold project in Fiji and one of highest grade gold projects anywhere in the world; focused on building production of 100,000 oz. per year over ten years.

Lion One holds a 200 km<sup>2</sup> exploration license package covering the entire Navilawa volcano, with the Tuvatu mining lease at its center.

Exploration in the Tuvatu area first began in the early years of the 20th century with prospecting and artisanal mining. The



The Tuvatu gold ridge on the map

discovery outcrop at Tuvatu was discovered in 1987 by Geopacific of Australia after investigating a soil anomaly originally identified by Aquitaine Fiji in 1977.

The Company is targeting to convert Tuvatu to a project that can produce more than 100,000 ounces per year over ten years. ■

### Five retires in good spirit

THE Board formally paid tribute to and farewell five officers at the Annual Awards Night in November 2017.

The officers who officially retire from TLTB's services on 22 December 2017 are:

- Personal Assistant to the Board Secretary, Ms Silika Vatu (34 years with TLTB);
- Geospatial Information Coordinator, Ms Nelly Snow (14 years with TLTB);
- Geospatial Information Officer I (NW), Mr Lui McKay (28 years with TLTB);
- Estate Assistant I (NW), Mr Jekope Vunisa (37 years with TLTB);
- Estate Assistant II (NW), Ms Motokawa Anise (13 years with TLTB).

Estate Assistant I (NW), Mr Jekope Vunisa thanked the TLTB for his life especially for his family who had been part of his life since he started working 37 years ago.

"I believe I had played my part in life first as person, as an employee of TLTB then as a parent.

"I am both blessed and privileged to be part of this institution and serving the indigenous landowners of this country,"

> Mr Jekope Vunisa, outgoing Estate Assitant (NW)



One of the longest serving staff ... EA Jekope Vunisa being garlanded by TO Cema Rokomatu at the Annual Awards Night in November

That is the transition I went through soon after I left high school and I didn't know any other working place other than TLTB in Lautoka.

I am both blessed and privileged to be part of this institution and serving the indigenous landowners of this country," he said.

The TLTB Board and the Executive Management wish to sincerely thank all retirees of 2017 for their positive contributions.

The long service signified their loyalty and commitment to the interest of this organisation and the landowners that we serve.

Ms Vatu has also been asked to serve for another year because of her experince as well as in preparation for the giditization of the Board records from 2018 onwards.

The TLTB Board, Management and Staff wishes them all a happy retirement!





## **Commercial Agriculture Lease**

THERE is a new product in the market - the new Commercial Agriculture Lease now on offer by TLTB.

New Product!

General Manager Mr Tevita Kuruvakadua said the 99-year leases provided the much needed long-term land tenure and security to invest in commercial farming on itaukei land. "It is designed to boost investor confidence in making long term commitment, large scale development and attractiveness of itaukei land," he said.

Under the iTaukei Land Trust Act (TLTA) – these are the first agriculture leases to be given since the 1880's. Mr Kuruvakadua said the lease term for agriculture has been considered and reconsidered by the TLTB Board of Trustees (who has a full representation of the iTaukei landowners) since the early colonial times having seen the interest of the landowners, the national economy and the demand for security by the descendants of Fijians with Indian decent in Fiji.

"The 99-year lease was initially issued in the early 1880's - 1990's, reviewed to 21 years in the mid-1900's, again reviewed to 10 years in 1966 and then again to 30 years in 1977," he added.

At present, TLTB's standard agriculture leases are administered under Agriculture & Landlord Tenants Act (ALTA Cap. 270) for a period of either 30 or 50 years with the annual rent charged at 6% of the unimproved capital value (UCV). Mr Kuruvakadua said the issuance of the 99-year term for commercial agricultural leases on itaukei land does not contravene TLTA or ALTA. "While this provides an opportunity to make itaukei land more attractive and enhance confidence and security with longer term, it is necessary to ensure that the terms and conditions of the lease correspond to equitable benefits to the landowners as well as tenants," he said.

The three (3) lease types or options under Commercial Agriculture are:

#### **Option A – Hybrid**

Land Use: Special – Commercial Agriculture; Term: 99 years;

Rental & Premium Value: Based on Unimproved Capital Value. Premium is to be reviewed; and paid on the 51st, 65th, 75th and 85th year.

and 85th year; *Improvement:* Revert to landowners on expiry of lease;

*Permitted Improvements:* as permitted under the Town and Country Planning Act.

This option is so called hybrid option as it offers a combination of ALTA and TLTA provisions.

### Option B – Lease Offered at Market Rate

Land Use: Special – Commercial Agriculture; Term: 99 years; Rent: Market Rate;

Premium: Based on market rates and paid

once before the commencement of the lease; *Reassessment:* Five (5) year reassessment; *Improvements:* In compliance with the purpose of the lease and will be reverted to landowners at the expiry of the lease.

This option fully incorporates the provisions of TLTA regulations.

#### **Option C – ALTA Lease**

This option proposes the most equitable benefits to the tenants and landowners. It is similar to Option B in that the market rates are used; however, the premium is staggered over 15 year periods for the duration of the lease.

Term: 99 years; Rent Review: Every 5 years; New Lease Consideration: Based on TLTB schedule every 15th year.

#### **Other Conditions of the Lease**

Given the nature of such leases above, improvements that can be constructed on the lease shall be made in accordance with Provision 9 of the Town Planning Act (Cap 139) General Provisions Schedule A. However, improvements for dwelling shall be limited to one per farm and all improvements to be reverted to landowners on the expiry of the lease.

*Improvements* - The landowning unit to be given first preference to buy the lease should the tenant wish to sell the lease.

*Lease Transfer to Landowners* - Should the lease be sold in the first 10 years of the lease term, a levy of 20% is levied on the sale price as landowner's considerations from the sale. This is to deter speculation (leasing to sell) without development. Any sale after the 10th year, a levy of 10% is levied as landowner's consideration.

Sub-Lease - Any sublease on the lease shall attract a 20% of the sub-lease consideration. Mortgagee Sale - Should the lease be tendered for mortgagee sale, first preference shall be given to TLTB to partner with the relevant landowning unit in settling the existing debt and to develop and/or pursue the existing commercial agriculture project on the land. This condition is to be expressly stated by TLTB and agreed by the mortgagee prior to giving consent to mortgage.

#### **Other Benefits & Special Condition**

In light of the Fiji's global and national commitment in terms of the Sustainable Development Goal (Goals 2, 13 & 15) and Fiji's Green Growth Framework (Thematic Areas 1 & 5); the following additional conditions are proposed:

Global Good Agricultural Practices - Tenant must uphold Good Agricultural Practices (GAP) on his/her farm at all times and pursue to attain the Global GAP standards.

Conversion Period (Natural Rehabilitation) - The international conversion period to transform a piece of land to its natural organic state is three years. The commercial agriculture lease will also incorporate the same period of three (3) consecutive years following the 30th, 60th and 96th year to be set aside as the conversion period for the subject land. This will allow the land to naturally rehabilitate itself and will also ensure that the soil is well nourished for another term of extensive cultivation, tilling and production.

Carbon Rights - The prospect for carbon financing and trading is also being pursued in the agriculture sector specifically in organic farming communities. The provision for carbon rights, carbon trading and carbon financing are included in the lease conditions to ensure that should lessee consider declaring his/her lease for such project that landowners also benefit whether financially or through capacity building, community development or a collection of all and more.

#### Mandatory Requirements for Processing a Commercial Agriculture Lease

*Consultation of Landowners* - As required by law, consultation of landowners is very much an essential part of any leasing process. Consultations are an opportunity for landowners to raise their concerns and future plans and need for land use, development and reservation.

*De-reservation of Land in Reserve* – Due diligence process must be followed with majority consent obtained.

Reassessment of Lease – Every lease has a minimum reassessment period of five (5) years. For such leases, the reassessment period will be done on a five (5) yearly basis to monitor the progress of cultivation, harvest and even research on the leased land.

The three leasing options above are given to provide option to lease agricultural land for 99 years and to ensure that the landowner's interests are protected.

#### **Cost (Estimate)**

Vacant agricultural sales in the market are around \$8,000 to \$10,000 per acre for a 30year lease term and around \$14,000 per acre for a 50-year lease term in the rural areas. In essence, a 10 acre is estimated to fetch \$80,000 premium for a 30-year term and \$140,000 for a 50-year term. To extrapolate the value, a 10 acre land for a lease period of 99 years would fetch a premium of around \$240,000 to \$320,000.

As always and as part of its due diligence processes all landowning units concerned will be consulted and consented before the issuance of any lease.

#### **Applications**

Application forms with requirements can be accessed by interested parties or individuals through the TLTB website:

www.tltb.com.fj or at any TLTB Office in Suva, Sigatoka, Nadi, Lautoka, Ba, Rakiraki, Korovou, Labasa and Savusavu.