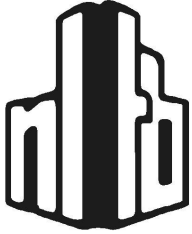


24th December 2009

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GM's UPDATE

TO ALL NLTB STAFF

This is to update you on NLTB's Operations since my Circular dated 24th December, 2009 and 7th January, 2010. The following verses from the *Old Testament* are offered to strengthen and motivate you as you carry out your individual tasks:

"Be strong and of good courage, fear not, nor be afraid of them: for the LORD thy God, he (it is) that doth go with thee; he will not fail thee, nor forsake thee" - Deuteronomy 31:6

Then I told them of the hand of my God, which was good upon me; as also the King's words that he had spoken unto me; And they said, Let us rise up and build. So they strengthened their hands for (this) good (work)" - Nehemiah 2:18

Introduction

NLTB Operations started in 2010 with all Senior Managers assuming duties on 4th January 2010. There were staff movements (within and to Regions) and some staff took annual leave during the early part of the month. Generally the year started well for NLTB and although the Financial Performance (Income Collected) was 63% (in December, 2009) from the target, this percentage is expected to increase from January on.

A copy of the 2010 – 2012 Strategic Corporate Plan was published and issued to all staff in January. All Annual Performance Targets (APTs) for Senior Managers were signed off at the end of January and APTs for all staff are expected to have been finalized also. Two Senior Managers Meeting were held. The first meeting of the Board of Trustees (Board) was held on Thursday, 25th February, 2010.



Alipate Qetaki
General Manager, NLTB



Tevita Kuruvakadua
Deputy General Manager
Corporate Services

*The February
Financial
Performance is
expected to
improve from
the January
results.*

FINANCIAL MANAGEMENT

The financial performance for the NLTB in the month of January 2010 is tabulated below:

	January	Budget	% of Budget
Income	\$933,540	\$1,106,327	84%
Expenditure	\$796,433	\$970,448	82%
Surplus	\$137,109		

The February Financial Performance is expected to improve from the January results. Management and staff are to put all their efforts to improve on our revenue collection in 2010. Management continues to adopt the strategy that it will only incur expenditure once appropriate cash resources are available to cover for those expenses.

An **Arrears Assessment** paper will be prepared and tabled in the next Board meeting (in April) after it has been discussed by Senior Managers. Arrears recovery strategies and plans in 2010 are in place. Annual targets are now set in each region and in tourism department and uniform implementation will be expected and monitored. Recovery of arrears in court is weak. Management is to consider seriously the allocation of appropriate manpower to facilitate the follow up work needed. The media publication and loading in the Data Bureau is producing the needed results. Cane leases owe around \$3.67m in rent and this is directly linked to unproductive

farms that CBUL had identified and will be addressing.

GROWTH

61 new leases were registered in the month of January 2010 with a total rental of \$112,542. The aim is to create **good quality leases**. The target for 2010 is to create **900 new leases by December 2010**.

Lease maintenance is important. One of operations major targets is to ensure that there are no missed reassessment in 2010 and onwards. Lease renewals in terms of (ALTA Expiry, NLTA Expiry and 11th Year Premium) are also part of the Board's growth strategy in 2010.

HUMAN RESOURCES

NLTB has a total staffing establishment of 202 staff. At end of February, **161 positions** are filled with **41 vacancies**. Vacant positions will be filled on a needs basis.

13 positions were advertised from the beginning of the year and are being processed at different stages. A number of Senior Management positions were advertised in December 2009. This included the, Manager Human Resources, Manager Legal and Board Secretary positions. Management is mindful of the Employment Costs to Revenue (Income) ratio and the need for effective utilization of all resources. The NLTB's benchmark is for the total employment costs not to exceed 50% of its total income earned in a year. The employment cost ratio to total income as at the end of January 2010 stands at 44%. Higher productivity helps reduce employment costs if overall costs are properly managed and are within budget.



Solomoni Nata
Deputy General Manager
Operations

*Compliance,
standardization
and discipline
is fundamental
to a dynamic
organization
like NLTB.*

THE 2007 – 2009 FINANCIAL STATEMENTS

The signing of the NLTB's accounts for 2007 and 2008 was put on hold subject to clearance of certain issues. These are now being addressed.

OPERATIONS

An Operation framework was designed by the Estates Operations team to align with the Strategic Corporate targets for 2010 and this is to filter down to the respective Estate teams in each region. The new IT system will assist in the production of relevant reports to assist in its monitoring. Operation in regions and all departments bonding within and with other NLTB departments was promoted vigorously in order to embrace the challenges for 2010.

Operations for 2010 is anticipated to improve substantially due to the commissioning of the new IT system. Acclimatizing to the new system is ongoing. With more training planned for 2010 the skill level of all staff should improve and contribute to the overall productivity of the Board.

The A/DGM (Operations) had visited all re-

gions this year. CBUL courtesy calls to the Divisional Commissioners were carried out also with the opportunity to present the 1997-2010 ALTA Lease Expiry Consolidated Report to November 2009. The Report was submitted to the Permanent Secretary for Indigenous Affairs thereafter.

The Dairy Industry is important to Fiji's economy. For the Central Division a key target is to address dairy leases that have expired from June 2009 to 2015. Equal emphasis must also be placed on 2011-2015 ALTA expiry leases.

Operations are adopting the LOU-based strategy to address expiry, reassessment, 11th year premium, new lease applications, etc. This strategy will productively address lease expiry, not only for 2010 but to 2015 as well.

COMPLIANCE

Compliance, standardization and discipline is fundamental to a dynamic organization like NLTB. With a mature and discipline work culture, efficiency in delivery of service will ultimately result in quick turnaround time in processing of new leases, proactive renewal of leases and, improved customer service. Overall discipline professionalism and effectiveness also minimize legal actions against NLTB. There is a good response from staff in terms of compliance to NLTB Policies and Procedures. Management is hopeful that this will positively contribute to the overall productivity in 2010.

The review of the Estate Operational Manual is to be completed by end of June this year.

There is ongoing review of NLTB policies which is essential to meet the demands of the modern day. New policies targeted include **"Intangible Value"** and **"Carbon trading"**.

COMPLIANCE (cont)

The review of the current Tourism policy (2004) is also due. Special committees of operation managers are assigned areas of review to draft policy that will be further discussed by Executive Management. Another priority area of review is "*mining*". A special committee is collating and formatting a Mining Policy incorporating terms and conditions appropriate for surface leases relevant to Mining, to be of application in Fiji.

NLTB's Schedule of fees is before Cabinet for consideration. Other rates that needs review is the timber (hardwood), pine rates and the gravel/sand/spall rates.



Mesake Mara
Manager Tourism, Acting
Board Secretary.

LANDOWNERS

The adoption of a **Complaint Register**, to collate and register all complains and categorize it to the appropriate forum to address it is being developed. Such register is also useful in channeling complaints and also assist *itaukei* institutions learn and establish the nature/causes of complaints so they can improve appropriate areas of services.

The creation of a **Sales Database** within NLTB is essential. It is directly linked to its core business in managing land. The Data will be posted in the intranet at the end of March for accessibility to all internal users. Training in Land Valuation of estates staff will also be conducted as a priority this year.

All staff are urged to serve the landowners with professionalism. They should also inform landowners of the latest developments and the new policies of the Board and more importantly on their rights and duties as well as those of the tenants. We have an important role to ensure that native lands are administered for the benefit of the landowners

SOME MAJOR LEASE (CASES) PROCESSED

Payments are awaited from the Director of Lands on the Namau Water Catchment, Naboro Water Catchment, Vunidawa Government leases and the Navovo Agriculture Sub-division in Sigatoka.

The Vunisea Government leases in Kadavu, Dobuilevu Government lease in Ra, Bauxite Surface lease application in Bua, and Maganese Surface lease application in Namataku, Navosa are also under consideration. The Sauniwaqa Satellite City proposal in Nakasi is progressing and construction are to commence this year.

Natadola land reversion negotiations has progressed well. Landowners had been informed progressively and were appreciative of NLTB's and government's effort in addressing their long standing grievances. The Matapo (Momi Bay) issues are also being actively pursued.



Mosese Ratubalavu
Acting Manager Reserves



Sevanaia Tabua
Manager Research and
Development

The IT Department is currently undertaking training for NLTB staff to fully utilize the capabilities in the new IT system.



Epeli Ravula
IT Manager

LAND REFORM INITIATIVES

The NLTB is committed to full participation and involvement in Government Land Reform Initiatives in providing land for housing, formalization of squatter settlements, CBUL, National Land Register, Land use Plan and Integrated Development in Divisions. This is anticipated to bring about more infrastructural development on native land in both

rural and urban areas that will bring about more tangible benefits to the landowners and the national economy.

NLTB and the Housing Authority are working on finalization of a draft MOU that will bring about more understanding and mutual cooperation to provisioning of land and housing to all citizen of Fiji. The Ministry of Local

IT IMPLEMENTATION

The IT Implementation Project was completed as planned. The IT Department is currently undertaking training for NLTB staff to assist fully utilizes the capabilities in the new IT system to improve on their service delivery. The Board has approved the final payment to SFL at its February meeting.

The Board had approved the extension of Mr George Ratawa's appointment as IT Consultant to end of May, 2010. Mr Ratawa will be developing the NLTB's IT Spatial System focusing on a work plan as follows: -

Work Plan for IT Project Manager - (1st March 2010 to 31st May 2010)

- (i) Compiling the spatial requirements for analysis against functionality of current spatial system;
- (ii) Give advice in the design and development stage of the project;
- (iii) Ensure the linking of spatial system with Landssoft system;
- (iv) Ensure the User Acceptance testing test all areas of the original requirements;
- (v) Assist in the IT Department in carrying out IT Training of IT users;
- (vi) Assist in post implementation of the spatial system;

Co-management of the project and assist in providing status updates. All staff are urged to assist in the development of this useful system.



Joreti Dakuwaqa
Manager Northern

TRUST POLICY and OTHER MATTERS

The current cash payment systems is to cease by first quarter 2010. The distribution of lease monies and all payments to land-owning units and other parties are to be done by **electronic payment thereafter**.

The following amendments to the Trust Policy will be effected from 1st April 2010 to give effect to the above:

- (i) All advances for titleholders (TQ, TT, TM) previously paid through cash payments will cease from 1st April, 2010;
- (ii) All Landowning units (TQ, TT, TM and LM) will need to open their bank accounts in line with NLTB's trust requirements by 31st March 2010;
- (iii) All release of lease monies to LOU's will be done through electronic banking.

OTHER MATTERS

1. The following Senior Managers of the Board have been appointed to be members of the following Boards.

Mr Tevita Kuruvakadua – DGM/C - had been appointed as a Board Member for FNPF with effect from 22nd January 2010;

Mr Solomoni Nata – DGMO had been recommended to replace Mr Mesake Mara (Manager Tourism) as Board representative to the FTIB Board.

2. Appointment on promotion of **SOLOMONI NATA** as Deputy General Manager Operations with effect from 25th February, 2010.

3. Readvertisement of Board Secretary, Manager Legal and Manager Finance position. MF is to be a Chartered Accountant.

4. NLTB is to be an Equal Opportunity Employer. To be reflected in **ALL** new advertisements for vacant positions. NLTB Employment & Recruitment Policy are to be amended to reflect this.

5. NLTB is to recruit qualified **TRUST INVESTMENTS** Specialists to look into **ALL** Trust Investments. To also look into Schedule A & Schedule B Funds issues that have remained too difficult to clarify and explain - particularly the amount that ought to be paid to FAB. Also look at investments from the viewpoint of opportunities where Trust funds can be productively deployed.

6. A **LIQUIDATOR** has to be appointed **URGENTLY** for **VDCL**.

7. Arrears write-offs (Approximately \$770,000) approved.

8. Board agreed and decided that **Goodwill Payments** be stopped and made unlawful.

9. All NLTB Court cases must be handled internally at the Legal Department **except** with the approval of the General Manager in very complex and difficult cases.

10. Negotiations have progressed well in the following cases & projects –

Somosomo Mini-Hydro

Natadola

Matapo

Wailotua Quarry

Bauxite Mining in Vanualevu (Bua)



Soloveni Masi
Acting Manager North-Western

OTHER MATTERS (cont)

11. Role & Functions of the Standing Committee are clarified & Noted by Board.
12. Bonus Issues - Board is going to look closely at Agreed targets. A Paper is to be prepared for the April Board Meeting.
13. Lease Processing Time-Frame - A major concern and all efforts are to be made to ensure the lease processing times are reduced dramatically to assist in facilitating investment and economic growth.

Critical Considerations

Need to focus on SCP & targets

Proper consideration & cohesion throughout

Efficient use of all resources

Compliance issues are of utmost importance

Networking within & without and with Government Agencies

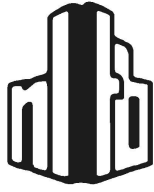
Manage stakeholders effectively through engagement

Legal Department to also focus on Policy areas as well as operational and actual litigation

Awareness by **ALL** staff at **ALL** levels of Boards Expectations and Performance Targets and Measures.

Landowners and all Stakeholders are to be professionally served.

*Bonus Issues -
Board is going
to look closely at
Agreed targets.
A Paper is to be
prepared for the
April Board
Meeting.*



NATIVE LAND TRUST BOARD

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In the best interests of the landowners we will:

- Provide and promote attractive land products:
- Provide and deliver reliable land services to our stakeholders in the most effective manner
- Ensure the landowners receive a fair market value for their land and resources
- Promote sustainable land use practices
- Enhance partnerships with government and other stakeholders contributing to nation building
- Encourage investment and savings for native landowners
- Provide attractive investment opportunities for the landowners
- Provide an harmonious and productive working environment
- Implement and enhance our human capital management framework
- Comply and review relevant laws affecting native land



THANK YOU

I thank all of you for your efforts up to now and trust that we will improve from where we are now to achieve better results for the months ahead.

Vinaka vakalevu.

ALIPATE QETAKI

GENERAL MANAGER