



Project location:
Ra province, Fiji

Project start date:
1 January 2009

Project end date:
31 December 2011

Funding source:
AusAID 44.7%, Future Forests Fiji 55.3%

Total grant funds approved:
A\$190,000

Updated: May 2011

Future Forests – Teak Plantations In Fiji

SUMMARY

Future Forests Fiji Limited was established in 2004 with the primary aim of developing a socially and environmentally responsible teak plantation business in Fiji.

Over the past five years Future Forests has successfully developed and established plantations in Fiji with more than 140,000 teak trees planted in Ra Province on the main island of Viti Levu.

ECF support has enabled Future Forests to expand and improve its teak seedling nursery. These seedlings are both sold and used for new teak plantations on company and landowner properties.

ANTICIPATED IMPACT

- Long-term employment and training opportunities in teak seedling growing, plantation management, harvesting and auxiliary services such as transport and supply contracts for landowners and their families living in six rural villages
- Ongoing income for communities through leasing their land for plantations and from royalties or stumpage from each tree planted on their land
- Technical extension services to landowners to manage their own valuable teak plantations
- Asset security and future income from the sale of teak trees

PROGRESS

- Since receiving ECF support, the nursery has produced over 100,000 seedlings and improved both germination and transport techniques. In 2011 it will produce around 160,000 seedlings.
- Seedlings sales to a wide range of customers include Conservation International, which works in a similar collaborative manner with landowners.
- Trials of sheep-raising in teak plantations are underway as an additional income generation project for communities.
- The nursery business has achieved commercial sustainability and the company has raised F\$2 million (A\$1.1 million) from existing and new shareholders in its improved financial position. The company plans to launch on the Suva Stock Exchange in 2011.

BENEFITS

- Future Forests has paid over F\$156,000 (A\$83,100) to landowner groups for planting; the target is F\$220,000 (A\$118,000) annually by 2012. At present the total estimated number of beneficiaries is over 200. Ten people are permanently employed in the business. Casual workers and contract workers form the majority of the workforce.
- The Fiji-based Conservation International has purchased large quantities of teak seedlings and paid rural landowners for planting and maintenance. Plantation maintenance is estimated at F\$400,000 (A\$214,000) in the first year and F\$240,000 (A\$128,000) for the next 2 years.
- To date, Future Forests estimates that more than F\$1 million (A\$535,000) in capital is held by landowners in the form of teak trees which will mature over a period of 22 years.
- The teak project should be a good model for sustainable and socially beneficial hardwood plantation projects operated by the private sector across the Pacific.
- Once the operation can become certified for carbon trading, this will have a demonstrable impact in Fiji and in the timber plantation sector.

HOW ECF FUNDS ARE BEING USED

- ECF is partly funding the nursery expansion. This is, however, only one part of the broader Future Forests program to promote income generation for rural communities and reforestation.
- Future Forests will also expand its sustainable and equitable partnership models with indigenous landowners, providing these communities with both income opportunities and future economic security.



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