

SECRETARIAT OF THE PACIFIC COMMUNITY
THIRTY-SIXTH MEETING OF THE
COMMITTEE OF REPRESENTATIVES OF GOVERNMENTS AND ADMINISTRATIONS
(Noumea, New Caledonia, 13–17 November 2006)

AGENDA ITEM 1 –OPENING OF THE SESSION

1. The Chairperson, the representative from Vanuatu, opened the meeting.
2. The Deputy Director-General, Suva, said the opening prayer.
3. The CRGA adopted its agenda, as attached to this report.
4. In accordance with the CRGA Rules of Procedure, Wallis and Futuna, as Vice-Chairperson of the meeting, chaired the Drafting Committee. The members of the Drafting Committee were the representatives from Australia, France, New Caledonia, Marshall Islands, Northern Mariana Islands, Kiribati, and United States of America.
5. The CRGA adopted its hours of work.

AGENDA ITEM 2 – CORPORATE OVERVIEW REPORT FOR 2006

AGENDA ITEM 2.1 – DIRECTOR-GENERAL'S REPORTS

6. The Director-General, Mr Jimmie Rodgers, on behalf of members, extended the CRGA's thanks to the Government of New Caledonia for facilitating the entry of delegates. He thanked the Government of Vanuatu for assuming the Chair and Wallis and Futuna for assuming the Vice-Chair of the meeting. He extended his congratulations to the two Deputy Director-Generals who were appointed during the year, noting that the Suva-based Deputy Director-General would have special responsibility for small island states and the Noumea-based Deputy Director-General special responsibility for Francophone territories and the Government of France. He said that 2006 had been a productive year for SPC with a mix of regional and international engagements at various levels of the organisation, many of them strategic in nature. These were aimed at lifting SPC's profile as a regional partner through which development partners could channel resources and assistance to Pacific countries and territories. He stated that SPC continued with the business of delivering much-needed services to its island members. In the 10 months since he assumed leadership of SPC, he had worked with senior SPC staff members to develop new concepts and ideas on how SPC could improve its services to members. These concepts were based on three pillars: (1) increased focus on member priorities; (2) strategic engagement at regional, international (and national) levels; and (3) strategic positioning of the organisation to ensure it was well placed to achieve the first two. He said that a feature of the year's work had been efforts to implement the 11 recommendations of the 2005 Corporate Review and outlined progress in specific areas, in particular, in response to the need for SPC to become more strategic and to assume a greater leadership role in identifying and advocating for regional priorities; improving communication with national decision-makers; and moving services closer to people through strategic decentralisation. He presented a list of priority activities for SPC and said he hoped delegates would support three in particular that would make a real difference to the lives of Pacific Island people, i.e. (i) making available new satellite communication technology to give rural and remote communities access to internet and telephone services; (ii) establishing within SPC a team of multi-sectoral specialists who would provide policy analysis and advice to assist members in decision-making; and (iii) improved services for small island states, including shipping. The Director-General concluded by saying that as someone who grew up in a rural area of the Solomon Islands, he knew personally of the struggles faced by the

85% of Pacific Island people living in rural and remote areas, and the importance of providing these communities with tools they could use to improve their education, increase awareness, and make informed decisions about the wise use of their resources. He noted that bridging the communications divide with rural and remote communities would be “breaking down a barrier and opening a new door that provides new opportunities for the majority of our people in the Pacific”. (The full text of the Director-General’s report (CRGA 36 paper 2.1) is available from the Secretariat on request.)

7. The representative of Kiribati thanked the Director-General for his very comprehensive report on SPC’s activities since last year, expressed her congratulations to the Chair, and assured him of her delegation’s support during the meeting. She also expressed her delegation’s congratulations and support for SPC’s two new Deputies. She said that Kiribati is encouraged by the steps and initiatives that SPC has already taken in implementing the recommendations of the Corporate Review, including its focus on members’ needs, and commended the Director-General on his leadership, and the hard work of SPC’s staff. She expressed her support for the increased attention by SPC, through the Suva-based Deputy Director-General, on issues specific to small island states, and noted the importance of this increased attention to the needs of small island states such as Kiribati.

8. The representative of Papua New Guinea expressed his congratulations to the Chair and to the Director-General and Deputies. He noted that although the executive team had been in place for a short time, it had already done important work in a number of areas. He noted that the Director-General’s report covered a number of important points, and concurred that the Pacific Plan should not be seen as a blueprint for the region, as there are important regional issues not covered in the Plan. He also noted the need for SPC, SOPAC, and SPREP to look carefully at issues surrounding the Regional Institutional Framework, so that a comprehensive solution to regional integration that increases service delivery to members is developed; he stressed the importance of the latter as the foundation for any changes to the existing structure. He gave his country’s assurance that Papua New Guinea’s arrears would be dealt with.

9. The representative of New Zealand expressed her thanks for the excellent report, and the accompanying film. She expressed her country’s support for the comments made by the representative of Papua New Guinea regarding the Regional Institutional Framework, which she said had the potential to have a huge impact on SPC. She noted the need to keep the issue in mind throughout the upcoming week’s discussions. She also asked for clarification of the meaning of the third recommendation in the Director-General’s report, which asked for members’ support for specific initiatives.

10. The representative of Marshall Islands expressed his congratulations to the Chair, and Vice-Chair, and thanked the Director-General for his comprehensive report, which he noted had highlighted many important issues. He said he was glad to see SPC working closely with its members on the important issues facing the region. He noted that SPC’s members had authorised the Secretariat to explore new directions and ways to increase its services to members, but said that this should continue to be done in close consultation with the membership. He agreed with the need to look at host country responsibilities, particularly as the organisation’s staffing becomes more decentralised, and noted the need to look carefully at the Regional Institutional Framework, indicating his country’s support for a strong presence of members on a task force to further explore a Regional Institutional Framework. He expressed Marshall Islands’s appreciation to SPC’s metropolitan members and other development partners for their continuing contributions to SPC and its work programme, and looked forward to working together on the new challenges facing the region. He congratulated the new Deputy Director-Generals on their appointments, and expressed particular support for the increased focus on small island states by the Suva-based Deputy Director-General. He closed by stating that he looked forward to discussion on the many important issues noted by the Director-General during the course of the meeting.

11. The representative of Solomon Islands said he looked forward to fruitful deliberations in the coming days, and thanked the Director-General for his excellent report, which had covered many important issues. He observed that SPC’s executive was very capable, and that while the cost of regional engagement was significant,

the price of complacency was far greater. He was eager to see more directly in the coming days how SPC was targeting its services to meet the needs of ordinary people in the Pacific. He noted his country's commitment to SPC, and expressed his appreciation for SPC's understanding during the periods when Solomon Islands was unable to pay its assessed contribution. He said that Solomon Islands continued to strongly support SPC and its activities, and that the recent clearing of its arrears (for 2000–2003) was an expression of that support.

12. The representative of CNMI emphasised the importance of SPC's focus on decentralisation and bringing services to members, and praised the opening of the regional office in FSM. He also noted the importance of the focus on small island states, and thanked SPC for ensuring that its services were delivered to those members that were most in need of assistance, which he said particularly included communities in rural areas. He said that CNMI was committed to clearing its arrears, which would be taken care of shortly after his return home.

13. The representative of Cook Islands expressed his congratulations to the Chair, and to the new Deputies, and thanked the Director-General for his excellent report, which he said was very easy to read, very comprehensive, and covered many areas of interest. He noted his support for the special areas of focus highlighted in the report, and noted Cook Islands' endorsement of the report's recommendations, especially for the provision of additional resources to meet the needs outlined in the report.

14. The representative of New Caledonia congratulated the Chair of the meeting, and assured the Director-General of New Caledonia's continuing support for SPC's activities. He expressed New Caledonia's congratulations to the Deputies, and thanked SPC for nominating a francophone as Deputy Director-General in Noumea, noting the importance to his country of having someone who New Caledonia could engage with in French within the executive. He said that this showed SPC's commitment to an inclusive regionalism, which allowed all members to take part in activities and meetings as fully as possible.

15. The representative of Tuvalu congratulated the Chair, joined other delegations in congratulating the Deputies, and commended the Director-General for his clear and comprehensive report. He commended SPC on its ongoing structural and programmatic reforms. He also welcomed the new focus on small island states, which he said mirrored the focus by PIFS on small island states; in which a specific unit dedicated to SIS has been established within PIFS and accompanied by the appointment of in-country officers in small island states. He suggested that SPC might consider adopting a similar model. With respect to the Pacific Plan, he agreed with the Director-General that it was important to engage with development partners to ensure that support was not confined only to Pacific Plan priority areas, and welcomed clarification from development partners on this issue. He also welcomed closer engagement with metropolitan partners, especially regarding the Millennium Challenge Account, noting that only one country from the region had received funding under the account to date. He looked forward to an update from the Director-General or the US representative on the issue. He noted the timeliness of a discussion regarding integration of the RRRT into SPC, given the importance of human rights and gender issues in the region, and the ongoing discussions on the Regional Institutional Framework. He noted that cost was an important factor, especially with respect to any changes to members' assessed contributions, but indicated his understanding that RRRT had assured funding through 2009. He noted with approval the increase in the number of Pacific Island professional staff, and inquired whether SPC had a specific number or target as to the number of Pacific Island professionals in proportion to the total professional workforce.

16. The representative of Wallis and Futuna congratulated the Chair and the new executive team, and made particular note of the role of the Suva-based Deputy Director-General as the focal point for small island states (and small island territories). He expressed congratulations to the Director-General on his comprehensive report, and expressed appreciation for the speed with which SPC has implemented the recommendations made in the recent corporate review. He noted that Wallis and Futuna is working to integrate itself in the region, and is now an observer in PIFS. He stressed the importance of SPC to Wallis and Futuna, as SPC is a forum in which the region's territories are able to participate as full members.

17. The representative of France expressed his congratulations to the Chair for his management of the meeting, and to the Director-General and his team for their first CRGA; he echoed the appreciation shown by New Caledonia for the appointment of a Francophone as the Deputy Director-General in Noumea. He noted with approval the intensive preparatory work done for the meetings, and expressed his country's regret that the late arrival of many documents had hindered effective consultation with relevant departments, but looked forward to getting documents in advance prior to next year's CRGA and Conference. He agreed with other delegates, including New Zealand, regarding the importance of the ongoing discussions on a Regional Institutional Framework, and on the need to focus on that issue during upcoming discussions. He inquired whether the multi-disciplinary team of senior advisers would be composed of SPC staff or consultants. Regarding the Pacific Plan, he observed that it was a very useful reference document, and confirmed France's support for the plan, which was the first document of its kind. He noted that development partners remained free to carry out their own consultations with members and regional organisations outside the framework of the plan.

18. The Director-General thanked members for their comments, and for putting their trust in the organisation's executive team, saying that they would all do their best to live up to that trust. He noted some of the specific comments made by members. While confirming SPC's strong support for the Pacific Plan, he noted it was essential in supporting the plan that development partners continue to be reminded that the Pacific Plan is *not* a complete blueprint for regional development. He noted that the proposed senior advisory team would become staff members of SPC recruited on the basis of their understanding of both the region and the emerging issues faced by members. The team needs to be new staff to ensure SPC maintains delivery of services to members while undertaking enhanced analysis. Regarding the Millennium Challenge Account, he noted that SPC had met in June with officials at MCA, and had discussed the possibility of a regional engagement mechanism, which might function in a manner similar to that developed for the Global Fund. He said that SPC would discuss the issue in greater detail with the US, but observed that some changes to the current MCA structure might be required to enable a regional approach, and this might be difficult. In reference to the proportion of Pacific Island professional staff, he stated that there was no set target but that at some stage in past CRGAs, a figure of 50% had been mentioned. He noted that SPC appointments continued to be merit-based, while giving preference to Pacific Islanders, as well as to women. He noted the importance of RRRT and said that while some of their work related to policy (and was thus closely aligned with work undertaken by PIFS), the bulk was in the area of service delivery (and was thus more closely aligned with SPC's activities). He noted that additional specific inquiries would be addressed during discussion of subsequent agenda items.

CRGA decision

19. CRGA:

- i) approved the Director-General's report;
- ii) noted the progressive reforms that have taken place and will continue to take place in 2007; and
- iii) agreed on the need to provide support for (a) the resources urgently needed to bridge the communication gap suffered by disadvantaged rural and remote communities in the region through the digital strategy, and (b) the establishment of a team of senior advisers within SPC to provide policy analysis and advice to members in all areas of work covered under SPC.

AGENDA ITEM 2.2 – WORK PROGRAMMES – DIVISIONAL OVERVIEW PRESENTATION

AGENDA ITEM 2.2.1 – LAND RESOURCES DIVISION

20. The Director of the Land Resources Division provided an overview of LRD's work and achievements in relation to the Division's two objectives of sustainable management of integrated agriculture and forestry systems, and of biosecurity and trade facilitation, following the restructuring of LRD. He said that LRD was in a good situation in terms of its staffing, finance and achieving the planned outputs for its objectives.

21. He alluded to a number of projects that are nearing an end and that have successfully engaged communities directly, such as the DSAP project, which was an example of working together with communities, and the Fiji Drawa Block, which provided an example of a sustainable natural resource management model. With respect to DSAP, three separate reviews have highlighted the project's successes in building staff capacity, introducing appropriate technologies, fostering a strong sense of shared Pacific experience, adopting a participatory approach, building mutual beneficial partnerships with NGOs, and employing qualified local staff. As part of DSAP's success story, he touched briefly on recent developments in the Marshall Islands, with emphasis on identifying and implementing solutions, training in basic atoll agriculture, laboratory and field trials to enhance soil fertility, introduction of tissue culture plantlets, and raising awareness of appropriate farming practices. He said the Fiji Drawa Block is a good example of how to manage land and forest resources in a manner that is environmentally sustainable, economically viable and socially acceptable. It shows how a complex structure involving many different players can be developed through interacting with and engaging the local community.

22. The Director then mentioned selected new initiatives on trade facilitation and atoll agriculture. A pilot project, worth 4 million euros, on Facilitation of Agriculture Commodity Trade (FACT) is due to commence in 2007 with a survey of all members to pick enterprises in PICTs and select a few according to commercial criteria. Support for their development will be provided using a new commodity chain methodology. This project will benefit from the integrated support of all LRD thematic teams and will later be expanded to cover more enterprises. Discussions are ongoing with USP and atoll countries towards developing centres of excellence in atoll agriculture, starting with the Kiribati research centre and the Land Grant Institute in the Marshall Islands.

23. Finally, the Director invited CRGA to approve proposed amendments to the constitution of the Pacific Plant Protection Organisation (PPPO). The presentation concluded with a promotional DVD that highlighted LRD's operations and achievements. (The Director's full presentation is available from the Secretariat as paper 2.2.1.1.)

24. The representative of Solomon Islands thanked the Director for a thorough presentation. He expressed appreciation to LRD and to donors for LRD projects being implemented in his country. In relation to the Director's comments on bringing services and the best of science to communities, he emphasised the need to acknowledge the input that traditional knowledge can have in informing science. He supported efforts on atoll agriculture, but stressed the need to redefine the conventional geography and definition of atolls; he pointed out that Solomon Islands is the only PICT with man-made artificial islands on which islanders carry out agriculture and that atoll agriculture can also benefit from existing knowledge in Melanesian countries such as Solomon Islands. Referring to food security, he invited LRD to consider focusing on the important role of wild food in Melanesia.

25. The representative of Australia congratulated LRD on its successful restructuring since the adoption of its strategic plan in 2004. She was pleased to hear that LRD's human resources were adequate and anticipated that the use of nationally recruited staff in the field would contribute to the use of traditional knowledge. She urged SPC to continue to make sure that new projects had adequate staffing and financial resources. She endorsed the proposed changes to the constitution of the PPPO. She also endorsed the use of the participatory approach in providing services to members. She suggested that guava rust be included in LRD's plant disease control activities and indicated that Plant Health Australia would welcome the opportunity to collaborate with SPC on fruit fly eradication programmes.

26. The representative of Kiribati expressed her government's gratitude and appreciation for the work of LRD in past years. Referring to the establishment by LRD of centres of excellence for atoll agriculture, she informed the committee that her government had agreed to contribute AUD2 million to USP for the expansion of the current USP Campus in Kiribati to include the Centre for Sustainable Development and encouraged SPC to work in close collaboration with USP on initiatives for sustainable agricultural development for atoll islands, through the Centre.

27. The representative of Papua New Guinea commended the comprehensive report by the Director. PNG was a beneficiary of LRD's outreach programme to combat the taro beetle plague and prevent its spread to other neighbouring Melanesian countries, and he acknowledged the valuable assistance of LRD. PNG was developing a paper on biodiversity; the paper was relevant to germplasm issues and he would provide a copy to LRD when it was available. He supported the adoption of the new constitution for the PPPO. In relation to the Director's comments on traditional knowledge and working with communities, he stressed that Pacific communities have worked with plants, particularly staple crops, for centuries and that LRD should research traditional knowledge and utilise some of these traditional methods. He supported the integration of traditional and scientific knowledge and bringing traditional knowledge to the forefront of community outreach programmes to enhance scientific information. He also alluded to the benefits of trade facilitation.

28. The representative of Tuvalu commended the Director on a comprehensive report. He supported the importance placed on highlighting the impact of climate change for small island states and the efforts made to mainstream climate change and food security issues in the work programme. He noted with interest the comments made by the representative of Solomon Islands on human-made islands and stressed the difficult issues and challenges faced by lowlying islands throughout the Pacific. He welcomed the new emphasis placed by LRD on implementing practical solutions to problems facing PICT economies and agriculture, stating that the problems have already been well articulated.

29. The representative of the Marshall Islands welcomed the presentation on important new initiatives and developments. He urged SPC to collaborate across its divisions to facilitate integrated delivery of services to members. He noted the importance of natural disasters protection mentioned by the Director and urged SPC to work with SOPAC on natural disaster plans and policies. He welcomed SPC's new emphasis on atoll agriculture, noting that SPC had in the past outlined a number of success stories in agriculture that were not readily applicable to atolls; he urged LRD to continue to address all the agriculture needs of the region, including those of atolls. He further offered his government's gratitude and support for the new initiative towards the establishment of the centre for excellence in agriculture and forestry in Kiribati and the Marshall Islands.

30. Dr Roberts of the Fiji School of Medicine asked if LRD had looked at standards for the distribution and use of pesticides when addressing standards in agriculture, particularly in view of the high use of paraquat for suicide in the region.

31. The representative of Tokelau commended the Director-General and the LRD Director on their informative presentations. He fully supported the initiative on decentralisation and its benefits for all members, particularly small island members. He expressed concern that Tokelau was importing a lot of its vegetables and fruits by boat from Samoa, which posed a high risk of importing unwanted species, especially as there are no strict quarantine measures in place, and hoped that basing SPC staff in Tokelau would help his people make better use of their land. He solicited SPC assistance in the areas of soil enhancement and increased agriculture production as a way of decreasing the importation of plants products and vegetables from Samoa, and at the same time minimising potential biosecurity threats.

32. The LRD Director took note of the comments on using traditional knowledge to inform science, agreeing that there should be a two-way flow. He fully recognised the need to take the Solomon Islands and PNG experience into account when discussing atoll agriculture. He clarified that the Heads of Agriculture and Forestry Meeting had placed importance on the use of wild food, the impact of climate change on food security and health. He welcomed Australia's comments on guava rust and agreed that LRD could work with Australia and ACIAR on including guava rust in its work programme. He also agreed that LRD could work closely with Plant Health Australia on these issues. He invited Australia to join the committee on invasive ants and increase its regional dimension. He took note of the comment that capacity building is a crucial part in the development of new initiatives. On the issue of the development of centres of excellence and collaboration with USP, he stated that SPC was looking at forging closer links to contribute to a single initiative. He welcomed PNG's offer to provide a copy of its paper on biodiversity and germplasm issues when available. He indicated that the impact

of climate change on food security and agriculture would feature in the new LRD strategic plan. He noted with satisfaction the growing developments in the Northern Pacific with the opening of the new SPC Regional Office in Pohnpei. The Director indicated that SPC has made good use of traditional knowledge for pest control trials in the past, but agreed that more efforts were needed to document this traditional knowledge. In conclusion, he stressed that LRD helps Pacific Islanders determine their own future, instead of making them dependent on its services.

33. The Director-General added that traditional knowledge was the keystone to the success of the LRD Butaritari project in Kiribati and that LRD has a demonstrated commitment to using traditional knowledge in its DSAP project, working closely with farmers. He added that SPC was aware that paraquat, a chemical used in agriculture, was a major agent for suicide in the region, and that LRD had done some work for the Fiji Ministry of Environment on safe storage issues. With respect to the proposed amendments to the PPPO constitution, he clarified that CRGA had been empowered by the Conference of the Pacific Community to make decisions in years when Conference does not meet; CRGA was therefore asked by the Secretariat to consider and endorse these amendments.

CRGA decision

34. CRGA, noting the clarification by the Director-General that it was empowered by the Conference of the Pacific Community to make decisions in years when Conference does not meet, approved the proposed amendments to the constitution of the Pacific Plant Protection Organisation (PPPO) as submitted by the Secretariat in paper 2.2.1.2 (the full text of the amendments is appended to this report).

CRGA agreed that the Land Resources Division, in collaboration with partners, should:

- i) seek to increase its involvement in facilitating increased regional and international trade in sustainably produced agricultural and forestry commodities by PICTs;
- ii) expand the capacity of the Regional Germplasm Centre, which is to be renamed the Centre for Pacific Crops and Trees (CePaCT);
- iii) continue to seek support for the Pacific Ant Prevention Programme (PAPP) initiative;
- iv) provide support for the development of organic agriculture and forestry certification standards;
- v) foster the growth and continued development of the Pacific Agriculture and Forestry Policy Network (PAFPNet);
- vi) continue supporting and developing the Pacific Island Extension Network (PIEN) and the Extension Award;
- vii) facilitate the development and eventual implementation of a TCP proposal for FAO on the Pacific Regional Crop Improvement Programme (PARCIP);
- viii) provide support to address PICTs' needs for ISPM15 compliance through proper training in relevant areas and in the establishment of a Pacific Treatment and Accreditation scheme; and
- ix) work towards establishing centres of excellence in atoll agriculture and forestry in Kiribati and Marshall Islands.

AGENDA ITEM 2.2.2 – MARINE RESOURCES DIVISION

35. The Director of Marine Resources presented an overview of the work of the Marine Resources Division (MRD) (covered in detail in CRGA 36 Paper 2.2.2). He began by giving his view that the region was relatively well placed, in global terms, with respect to both the condition of fisheries resources and the state of fisheries

management. He noted that tuna stocks were not yet overfished, and will not be if the existing management mechanisms work effectively; he noted in particular the need for the Western and Central Pacific Fisheries Commission (WCPFC) to take action at its upcoming December 2006 meeting to cap yellowfin and bigeye fishing mortality. He observed that coastal fisheries were also in better condition than most coastal fisheries in other regions, in large part because of longstanding management traditions present in the Pacific, and new approaches, such as Locally Managed Marine Areas, that take advantage of the traditional knowledge of local fishers and communities. He commented on the need for better fisheries-related information, but stated that he was optimistic about Pacific Island fisheries, assuming that recent management developments were followed through. The Director then addressed the specific work being done by MRD's three programmes, beginning with the Regional Maritime Programme (RMP). He noted that the primary focus of RMP remains building the capacity of Pacific Island countries (PICs) to meet international security and safety standards in the shipping and port sectors. National regulatory demands are considerable, particularly for ports, which is a new area for SPC. RMP has grown rapidly in response to the region's demand (from three staff in 2003 to 10 staff in 2006). He highlighted several emerging issues being addressed by RMP, including the potential for establishing a unit for small island states' shipping management, and providing secure access to country-specific data stored on RMP's Data and Information Management System (DIMS) to SPC members. With respect to the Coastal Fisheries Programme (CFP), he highlighted CFP's reorganisation, which was undertaken to address three basic objectives that were endorsed in 2005. He also spoke about several emerging issues, including aquatic biosecurity, and uncertainties regarding the ability of the programme to continue the ongoing coastal fisheries assessments (now undertaken through the EU-funded PROCFish project) in the future. He noted the need for advisers in the areas of ecosystem-based management and coastal fisheries legislation. The Director also touched on the work of the Oceanic Fisheries Programme (OFP), which he said is the principal vehicle for the delivery of scientific services (including fishery monitoring and data management, stock assessment, and biological and ecological research) to SPC members in support of national and regional tuna fisheries management. He highlighted the start of a multi-donor tuna tagging project, which is ongoing in Papua New Guinea waters, and which has already tagged over 21,000 tuna. The results will provide valuable information about the status of stocks, and about tuna migration and growth rates. The Director also briefly addressed the issue of sectoral meetings. He noted the results of the Second Scientific Committee of the WCPFC, indicating that the most significant change was the additional urgency that had been raised, especially with respect to bigeye stocks. He noted that skipjack stocks could handle additional fishing pressure, but said that this would lead to additional pressure on yellowfin and bigeye stocks. He observed that bigeye required the most urgent action, with the WCPFC recommending a 30% decrease in fishing mortality. He noted that SPC was hesitant to say which fisheries should actually be limited, but that a decline in fishing mortality was needed. He also raised the issue of coordination of Heads of Fisheries (HOF) and Forum Fisheries Committee meetings, as noted in Paper 2.2.2, and asked for guidance from CRGA on this point.

36. The representative of PNG addressed the issue of collaboration between SPC's fisheries programmes and the work of other organisations, particularly the Commonwealth Secretariat and FFA. He noted that there was ongoing collaboration between nine PICTs and the Overseas Fishery Co-operation Foundation (OFCF), and noted that the Pacific Plan called for collaboration with other organisations with similar or complementary programmes. He noted the need to look at OFCF activities, and inquired if there was any ongoing collaboration.

37. The representative of Kiribati thanked the Director for his presentation and conveyed her government's appreciation for the valuable assistance provided through MRD, which she said provided important capacity building assistance, and assisted in maintaining compliance with maritime-related requirements. She noted that there had been significant international pressure to comply with port security requirements and Kiribati would not have been able to comply without SPC's assistance. She highlighted the importance to the Kiribati economy of seafarers' earnings, and looked forward to continued assistance from MRD in this area. She asked for an update on progress in conducting an assessment of bonefish stocks in Kiribati, for which she said Kiribati was seeking to establish a workable management regime. She noted that aquaculture development was becoming an important component of food security in Kiribati, and remarked on the importance of small-scale aquaculture, and the potential for the domestication of indigenous species. She suggested that SPC could play a role, with

national stakeholders, in assisting in the development of an FAO code of conduct for regional aquaculture activities. She also noted her government's interest in the development of locally made feeds that make maximum use of local materials, and asked for an update on progress in that area. She also welcomed an update on work to restore coastal fisheries stocks, which she said was a welcome initiative given the pressure on coastal resources. She closed by noting her country's appreciation for MRD's work through its three programmes, and expressed the hope that SPC's development partners would continue to support MRD's work.

38. The representative of French Polynesia congratulated the Director on his presentation, and noted that French Polynesia appreciated and supported MRD's activities. He noted French Polynesia's concerns about the possible cessation of some activities in 2007, in particular, observer activities now funded under the PROCFish programme, and inquired about efforts to continue these activities.

39. The representative of Tuvalu thanked the Director for his comprehensive report, and noted his support for the activities of MRD, which he said were valuable in helping PICTs maintain and meet maritime industry-related standards, especially with respect to maritime training, noting that seafaring constitutes an important income source for his country. He also mentioned the need to encourage participation by women in the maritime field, as well as in fisheries, noting that past attention given to women in fisheries had lapsed. He suggested reinstating the position of an adviser on women in fisheries at SPC. He remarked on the potential establishment of a unit for SIS (small island states) shipping management, and encouraged establishment of a broader unit dedicated to the needs of SIS more generally, across all sectors. He also spoke of the apparent overlap or duplication of roles between FFA, SPC and the WCPFC relating to tuna management, and noted that his country looked forward to clarification of the roles of these organisations through the Regional Institutional Framework (RIF) process. He supported any possible collaboration between SPC and FFA in terms of the convening of fisheries meetings, and encouraged SPC to work with FFA on this.

40. The representative of Cook Islands expressed appreciation to the Director and to MRD for its assistance over many years. He noted that the multi-donor tuna tagging cruise had been very successful, and inquired whether the effort was a long-term one.

41. The representative of Marshall Islands thanked the Director and expressed his country's appreciation for the work done by RMP, which had been very important for the region. He also asked how SPC would address the issue of fishing mortality, as he understood that tuna stocks could be affected by the fishing activities of countries outside the region.

42. The Director of MRD noted that decisions about how to reduce fishing mortality on various species, including mortality in fisheries conducted by countries adjacent to PICTs, were essentially political in nature. He indicated that while SPC could provide information on the potential effect of management decisions, advice regarding which decisions to make was the responsibility of FFA and the WCPFC. He noted that the management options workshop organised by FFA was an example of a primary venue for considerations of such issues. He also noted that SPC is involved with OFCF and JICA, and said that one staff member as a resource person was attending an ongoing OFCF/JICA workshop. He noted the suggestion made by Tuvalu regarding the post of adviser on women in fisheries, and concurred that the RIF would indeed address issues of overlap between SPC, FFA and the WCPFC.

43. The OFP manager noted that SPC was actively working with the European Commission to continue the ongoing sampling and observer programmes through a new programme (SCIFish), which he said was projected to include some 4 million euros for ACP countries, and 2 million euros for French territories. He indicated that SPC was working with the European Commission, but that progress was slow, and noted that expressions of concern from membership to the EC over slow progress in finalising the new programme might be useful. He also noted that OFP's current tagging efforts were part of a long-term strategy, which had been mounted initially in PNG. He indicated tagging was being supported by NZAID and ACIAR, and the French Pacific Fund. He noted that efforts were ongoing to bring the tagging efforts under the WCPFC, which would make it possible to

access additional funding from other WCPFC member countries. He noted the strong support provided to date by the National Fisheries Authority in PNG for the ongoing tagging programme in that country.

44. The Director-General clarified the issue of a joint Forum Fisheries Committee (FFC) and HOF meeting, indicating that he had discussed it with both the outgoing and incoming FFA directors. He noted that there were a number of logistical issues that would have to be worked out by FFA, including the definition of the FFC. He indicated that a Ministers of Fisheries meeting was new, and had been established only subsequent to a decision taken by the 2004 Forum that such meetings should be convened. He noted that prior to that time, the FFC comprised officials in fisheries (i.e. heads of departments) rather than ministers. The ministers had met since 2004 as the FFC, but FFA had yet to clarify whether FFC comprised a meeting of ministers, of officials, or both. If FFC consists of a ministers' meeting, such a meeting would constitute a meeting of FFA's governing body, in which case a joint meeting might need to be held back-to-back with the FFC. In this case, it would be more appropriate to hold a joint SPC/FFA ministerial meeting prior to the FFA's FFC meeting. He said that discussions around these points were ongoing, and indicated that 2008 was perhaps a realistic target to hold such a joint meeting. He noted that in the years in which SPC and FFA did not co-host a ministerial meeting, SPC would give technical input to FFC meetings in the areas of coastal fisheries and aquaculture in the same manner in which it currently provides input to oceanic fisheries, in order to give a complete picture to ministers of the status of the region's fisheries. He noted that SPC would continue to work with FFA to address these issues in a process that was independent of the RIF.

CRGA decision

45. CRGA:

- i) noted the report by the director of the Marine Resources Division and the excellent work of MRD; and
- ii) noted the positive feedback from delegations, which provides guidance to the Secretariat on the direction of MRD's work.

AGENDA ITEM 2.2.3 – SOCIAL RESOURCES DIVISION

46. The new Deputy Director-General (Noumea), Richard Mann, presented an overview of the main activities and achievements of the Social Resources Division. He pointed out that this was his first time to address CRGA in his new capacity and paid tribute to the work of his predecessor, Yves Corbel. He stressed that this was the largest division within SPC and highlighted the implementation of the new divisional structure with the new Human Development Programme (youth, women, culture and CETC), the combined Statistics and Demography Programme, the Regional Media Centre and the Public Health Programme. He presented the goal of the division and the objectives of its programmes. He noted that the increase in divisional staff had mostly occurred in the Public Health Programme. The Deputy Director-General mentioned divisional highlights in 2006. For the Human Development Programme (HDP), these included the HDP merger and the appointment of the HDP Manager, the graduation of 31 CETC students, the development of the guidelines for implementation of the model law on traditional knowledge, the strong linkages of PWB with other partners, the planning arrangements for the Conference of Pacific Women and Ministerial Conference in 2007, the PYB support to the Pacific Youth Festival, and the development of the Youth Scheme. In public health, highlights were the influenza pandemic preparedness project, the life skills training programme in adolescent reproductive health, consolidation of HIV/AIDS/STIs and TB projects, a demonstrated reduction in malaria morbidity and mortality in Vanuatu and Solomon Islands with the Global Fund, and the new lifestyles/non-communicable diseases (NCD) draft strategy. The Statistics and Demography Programme was successfully merged; PRISM and PopGIS are increasingly used and acknowledged; and there is a strong push for an improved range and quality of data in the region. The Regional Media Centre revitalised the Pacific Way programme and is planning to produce a radio version; it also conducted six internships and training for young media producers. In the area of ICT, highlights were the hosting of Pacific Island ICT trainees, the contribution to the Pacific Digital Strategy, and an increasing external outreach role. The division had grown rapidly in 2006, was functioning well and had been

very productive during the year. Funding gaps remain in the areas of human development (social development technical assistance), public health (NCD/Healthy Lifestyles; health systems management development), and economic statistics, but generally donor support to SRD has been very encouraging. Finally, the Deputy Director-General made a commitment to establish and reinforce strong representation of SRD at the SPC regional office in the Northern Pacific. In conclusion, the Deputy Director-General paid tribute to the outgoing Cultural Affairs Adviser, Rhonda Griffiths, for her memorable contribution to SPC over the last six years, particularly for the organisational assistance she provided to the last two Festivals of Pacific Arts and the development of the Model Law and Guidelines for the protection of traditional knowledge and expressions of culture. The Director-General acknowledged the assistance of New Zealand in drafting and publishing the Guidelines for Developing National Legislation for the Protection of Traditional Knowledge and Expressions of Culture, a companion document to the Model Law.

47. The Representative of New Zealand officially launched this document and commended it to PICTs, hoping that it would prove a useful resource. She stated that SPC and New Zealand had enjoyed a close partnership in developing these guidelines and that her country had provided the services of a legal expert from the Ministry of Economic Development, to develop the guidelines in close consultation with the Cultural Affairs Adviser. The outcome represented a significant step for the protection of traditional knowledge in the region.

48. The representative from Australia thanked the Deputy Director-General for his presentation of an impressive year's work by SRD and congratulated him on assuming the position of Director of the division. She noted that considerable project funding had been absorbed during the year, particularly in relation to HIV/AIDS and pandemic influenza preparedness, and that the new Human Development Programme (HDP) should strengthen the profile of the individual programmes. Statistics and Demography had provided valuable assistance to countries to collect and utilise data. She said that ongoing rationalisation of programme activities was contributing to the flow of information between programmes and within SPC.

49. The representative from PNG commended the presentation by the Deputy Director-General and noted particularly the work done by the Youth Bureau and Statistics and Demography Programme. He said CETC had done valuable work in empowering women, though it was still an uphill battle in some areas to overcome ingrained chauvinistic attitudes.

50. The representative from French Polynesia congratulated the Deputy Director-General on his comprehensive report and commended the SRD's contribution to meeting SPC's overall objectives. He noted SPC's contribution to the organisation of the first Pacific Youth Festival, which had been a wonderful opportunity for young people to gather. He also acknowledged SPC's financial support for the festival. Seven government ministers had attended the festival.

51. The representative of Kiribati thanked the new Deputy Director-General and his staff for the work carried out by SRD, and congratulated him on his appointment. She acknowledged SRD's assistance to her country, in particular, CETC for training and empowering women, RMC for its technical assistance when television was introduced to Kiribati, and the Statistics and Demography Programme for statistical assistance. She hoped to continue to secure SPC assistance in the area of statistics, more specifically in the area of economic statistics, as her country lacked the capacity for data gathering and analysis. She expressed appreciation to SPC and other agencies for providing support to the Pacific Youth Festival in Tahiti, in which Kiribati had taken part. She thanked New Zealand for its support for the development of the Guidelines for developing national legislation for the protection of traditional knowledge and expressions of culture and also paid tribute to the work of the Cultural Affairs Adviser, wishing her well in her future endeavours.

52. The Representative of Wallis and Futuna congratulated the Deputy Director-General on his appointment. She welcomed the successful restructuring of HDP and stressed her satisfaction that the human element remained at the heart of SPC's concerns. She supported the new course formula at CETC with the organisation of shorter training courses at the conclusion of the main course. She thanked the Statistics and Demography

Programme for the assistance it provided to Wallis and Futuna in completing its household budget survey. She expressed appreciation to New Zealand for its support for the development of the Guidelines for developing national legislation for the protection of traditional knowledge and expressions of culture. She also expressed gratitude to the Youth Development Adviser for his services, more specifically for his support for the Pacific Youth Festival. In conclusion, she congratulated the new HDP Manager on her appointment.

53. The representative of CNMI echoed the sentiments of appreciation of previous speakers. Alluding to the comments by the representative of Wallis and Futuna on the importance of the human component, he stressed the importance of capacity building. He noted that greater prosperity was adversely affecting culture in his country. He also mentioned the lack of qualified local staff in certain occupations, and requested the technical assistance of SRD, particularly in curriculum development and training for health professionals such as nurses and nutritionists. He stressed the need to develop well-targeted local messages, through programmes such as the Pacific Way, to promote healthy lifestyles and consumption of local foods and fruits.

54. The representative of Solomon Islands congratulated the new Deputy Director-General and thanked him for the assistance provided by SRD, particularly for the latest household income and expenditure survey (HIES). He indicated that this was an important division as it had to deal with social issues that changed by the day. He added that there was a lot of evidence that only lip service was given to women's issues, and emphasised the need to see real action at grassroots level and more focus placed on women and gender. He fully endorsed SPC's support for the Pacific Youth Festival as an important event for the youth of the region. Referring to the paper submitted by the Secretariat, he regretted the lack of details on the names of the countries where youth training had occurred.

55. The representative of Tuvalu thanked the Deputy Director-General for his clear and informative presentation. He stressed the critical issue of obtaining up-to-date accurate statistical and economic data for PICTs and acknowledged SPC support for compiling and analysing essential economic and population data, particularly in the area of national accounts and balance of payments.

56. The representative of New Zealand thanked the Deputy Director-General for his clear presentation and noted the significant achievements of the Public Health Programme. She asked for an assessment of where the Pacific Islands currently are with respect to preparedness, should an influenza pandemic occur.

57. The Deputy Director-General thanked the delegates for their positive comments, and praised the work of the SRD staff. He noted that the Youth Bureau report had been condensed, which accounted for the lack of detail, but that the Secretariat would be happy to provide the more detailed original version. He then asked programme leaders to respond to representatives' comments. The head of SPC's Statistics and Demography Programme indicated that while SPC had limited in-house expertise in the area of economic statistics, countries could call on the Pacific Financial Technical Assistance Centre (PFTAC) for assistance with national accounts, balance of payments and monetary/finance statistics, but noted that the centre had only one staff member available and therefore provided only limited assistance. He said that SPC has developed a proposal to build its capacity to offer assistance to members in the area of economic statistics, but noted that the proposal was in a draft form.

58. The Public Health Surveillance Epidemiologist addressed the issue of pandemic preparation, especially in relation to avian influenza, which he said posed a threat due to the proximity of Indonesia and Asia. He noted several significant regional achievements, including the establishment of task forces, and the development and drafting (with assistance from SPC and WHO) of preparedness plans. He noted that awareness had been raised regionally, and acknowledged the support provided to the region by WHO. He observed certain technical issues still had to be addressed (e.g. hospital surge capacity), and said that testing of the plans was required to highlight any gaps, and allow countries to see how they could tackle an outbreak in real time. He noted that the project would give support for legal issues, infection control, procurement support and risk communication. He indicated that one project staff person was based in Noumea and one in Suva, and that recruiting was ongoing for

a PNG-based position (for activities at the provincial level), as well as in Pohnpei. He noted that recruitment was also ongoing for staff in the area of animal health, and said that while the project had officially started in July 2006, activities had in fact begun two years earlier and the project “unofficially” in April 2006.

59. The observer from the Fiji School of Medicine inquired whether agreements were in place for the manufacture and procurement of vaccines, if and when the genome was identified. The Secretariat indicated that the issue of vaccine availability needed to be addressed with WHO at a regional level, and indicated that the issue was one of equity, given the small size of PICT populations in relation to those of vaccine-producing countries. The presence in the SPC membership of metropolitan countries that are producing the influenza vaccine provides the opportunity to table this issue at CRGA.

60. The representative of Solomon Islands noted international agreements could take time to invoke and that in the event of an emergency, the WTO had international conventions in place enabling LDC (least developed countries) to access drugs produced more cheaply in third world countries. SPC may need to look at some of these conventions. He also said that SPC might like to note that in some international conventions, PICTs are just covered under LDCs.

61. The representative of PNG noted that WHO was the agency responsible for vaccine procurement and asked the WHO representative to clarify existing arrangements in the event of an emergency.

62. The observer from WHO said that she would seek the information and provide it before the end of the meeting.

63. The representative of CNMI noted the importance of educating people about the work that SPC does in the North Pacific, noting that it was difficult to muster support for the organisation in the absence of awareness of its ongoing work. He therefore welcomed the availability of SPC’s promotional video. He also noted the absence of any indigenous nutritionists in CNMI, and pointed to the need to develop a cadre of Pacific Island nutritionists in the region.

64. The Deputy Director-General (Noumea) explained that some of the concerns raised about training local technical staff would be addressed in papers discussing vocational training and the code of practice for recruitment of Pacific health workers. The current discussion, particularly as it related to sustainable development, provided useful feedback and direction to the Secretariat. The Deputy Director-General (Suva) informed the members that further promotional videos were planned. The next one could be on SRD.

65. The Director-General praised the work being done by SRD staff. He noted that time was not available to discuss specific impacts and issues, but highlighted several issues, including the Pacific Youth Festival (hosted by French Polynesia, with funding support by PIFS, and technical assistance from SPC), which he said was an eye-opener for many of the region’s youth. He also spoke of the need to look at implementation of the Youth Charter. He noted the need, over the next 2–3 years, to delineate the role of governments vis à vis SPC with respect to women’s and youth issues, and stressed the need for action rather than talk. He also praised the legacy of the outgoing Cultural Affairs Adviser, and observed that her contributions – including the development of a model law for the protection of traditional knowledge and expressions of culture – would remain long past her time at SPC.

CRGA decision

66. CRGA:

- i) noted the comprehensive overview of the achievements and operations of the Social Resources Division in 2006; and
- ii) further noted with satisfaction the achievements and performance of SRD programmes in 2006, as presented in the Secretariat’s detailed papers.

AGENDA ITEM 3 POLICY AGENDA

AGENDA ITEM 3.1 – KEY ISSUES AFFECTING PICTS INTO THE NEXT DECADE

67. The Director-General summarised a number of key challenges confronting PICTs into the next decade. He began by discussing the balance between available resources and population, which he noted underpins every challenge in the region; he observed that while it necessary to talk about population figures and trends, it should be remembered that populations were made up of individual people, all of whom need resources to survive. He noted that the population is increasing in all but three PICTs. Given current trends, population growth will at some point outstrip available resources. The population doubling time of the region currently stands at about 35 years, and he raised the question of whether the region's resources could support such growth. He reviewed differences in population density between Micronesia, Melanesia and Polynesia, but noted that such averages inevitably obscure significant differences between countries even within these groupings. He presented examples of the challenges facing the region in meeting the needs of its growing population in terms of health care and education, highlighting the large number of schools and clinics that would need to be built in larger countries with rapid growth, such as Papua New Guinea and Solomon Islands. He noted that education was a particular challenge in Melanesia, where only a small proportion of the population is receiving an advanced education, and stressed the need to emphasise technical and vocational training for those who do not proceed to higher levels of education. He highlighted climate change as a second challenge, noting that particularly important concerns include the alteration of complex ecosystems and related changes in biodiversity, and changing weather patterns, which have the potential to lead to major weather events such as cyclones, rising sea levels, and reduced food security. He observed that although larger countries such as Vanuatu and PNG could cope with some impacts through relocation of populations, atoll countries lacked such options. He noted that SPREP is the leading CROP organisation working on climate change-related issues, supported by SPC and others. The Director-General spoke about protection of coral reef ecosystems and biodiversity as a third major challenge, noting that the region is home to 60% of the world's reefs. He noted that while reef resources face increasing pressure, significant advances were being made in the establishment of MPAs, noting that Fiji had announced during the 2005 Mauritius meeting that it was committed to establishing a protected area network covering 30% of its inshore and offshore marine areas. He also noted the announcement made by Kiribati in Curitba this year regarding establishment of the Phoenix Islands Protected Area (the third largest MPA in the world); the recent Micronesian Challenge, which commits five Micronesian PICTs to conserving 30% of their nearshore marine resources and 20% of their forest resources by 2020; and the upcoming submission by New Caledonia to UNESCO seeking World Heritage status for its vast reef and lagoon system. He noted that SPREP is the lead CROP agency dealing with MPAs established for conservation purposes, noted the work being done by SPC in the PROCFish project to establish community-based protected areas for fisheries resources, and made mention of the work being by the CRISP project, which is operating in 15 countries, with a coordinating unit housed at SPC headquarters in Noumea. He also noted efforts being made to achieve protection of forest resources. He noted several challenges that have to do with regional and international relationships. These include the need to comply with international agreements and conventions, such as the MDGs, IMO-related requirements affecting the maritime industry, and WTO requirements and regional trade agreements. Energy and petroleum issues are also significant, in particular the rising cost of energy. Transnational crime is an important and growing concern that is being addressed by PIFS, SPC and OCO. Labour mobility is another important issue for a number of PICTs due to the significant level of remittances, which in some countries account for 30% of GDP. He noted that achievements must ultimately be made at the national level, and noted the importance of issues such as political security, governance, human security (e.g. disease control), plant and pest control, land issues, and various sector-specific issues. He also spoke about the important role of public policy in ensuring that resource use remains balanced and sustainable, and said that ultimately the challenge lay in deriving benefits for Pacific Islands people, without at the same time undermining the future of coming generations.

68. The representative of PNG thanked the Director-General for his comprehensive and farsighted presentation. He noted that it was crucial that these issues were discussed, both at SPC and other CROP agencies. He observed that issues relating to sea level rise and population growth were most acute for SIS, and

supported Tuvalu's and Kiribati's proposals that SPC establish an SIS office (as done by PIFS). He noted that such a move would require support from all members. He also noted the value of an earlier reference by the representative of Solomon Islands regarding man-made islands, and spoke of relocation as an additional option for some countries. Regarding challenges from the international environment, he observed that PNG had issued an MDG report, and said that the goals, such as actions to address poverty, had also been included in PNG's medium-term development strategy. He spoke of the value of implementing trade agreements, and noted PNG's support for convening an energy ministers' meeting in 2007. He commended the regional security-related bodies, noting the threats that came from both rising international crime and various emerging diseases. Border security was a significant issue for PNG with attempts being made to smuggle out rare objects and bring in illegal goods, e.g. he observed that a state of emergency had been declared in the Southern Highlands Province due to the illegal import of guns into the area. He also spoke of the work being done by PNG's police in association with Australia and Indonesian police. He spoke of the need to ensure that collaboration is ongoing in areas where organisational mandates or activities overlap, so that those organisations with comparative advantage in an area receive support. He noted the importance of governance issues for PNG, where he said attempts to rise above regional and ethnic differences, and instead apply broadly accepted principles, were ongoing. He noted that security-related problems were significant in Melanesia, which he said were related in part to the lack of gainful employment for youth. He closed by stressing the importance of land issues in the region, observing that in PNG, land ownership was not strictly an economic concept based on commercial arrangements.

69. The representative of Solomon Islands commended the DG on his presentation, which he said had captured many of the challenges confronting PICTs. He noted that some challenges fall under the purview of other organisations, and acknowledged the work being done by development partners to help PICTs address these challenges, noting in particular those partners that had helped with RAMSI. He observed that some challenges related to the geography of an area or country, but there should not be too much stress on geographic factors – instead the focus should be on the cross-cutting nature of these challenges. He agreed that a level playing field did not exist with respect to globalisation and trade due to great differences in the size and scale of various states. He welcomed the call for progress on alternative energy sources, noting that reducing fuel costs, through bulk purchasing of fuel and other measures, was helpful, but ultimately countries were still dependent on fossil fuels. He noted that the US government had committed, during the 2005 Mauritius meeting, to address the issue of WWII wrecks in the Pacific, and asked the US representative for an update of progress on that issue.

70. The representative of Kiribati thanked the Director-General for his thought provoking presentation, noting that the realities that PICTs face highlighted the need for closer collaboration and engagement, both between PICTs and between CROP organisations. She said that population growth was a major issue for Kiribati, given the country's limited land area, and that pressure on resources was increasing. She spoke of the need for strong political will and effective public policy in enhancing the quality of health and education services. She noted the potential value to parliamentarians of the information presented in graph format by the Director-General. She made note of the ongoing population migration from Kiribati's outer islands to Tarawa, and spoke of the problems being experienced in Tarawa in terms of population density and youth unemployment. She noted that addressing these issues was fundamentally a national undertaking but expressed appreciation to SPC for any assistance it could provide. She noted the importance of climate change for SIS, and agreed with the Director-General that a concerted effort was needed to address it. She stated that her nation continues to highlight the issue in global forums. She also spoke of the adaptation strategies that had been developed, but observed that the effects of climate change and sea level rise were already being felt in the form of damage to causeways, saline soils, and salt water intrusion into the shallow fresh water lens found in atoll environments. She acknowledged SPC's ongoing assistance on issues associated with fisheries and coral reefs, noting the importance of fisheries and marine resources to Kiribati, both as a food resource and as a basis for sustained economic growth. She said that her country was proud of the newly established Phoenix Islands Protected Area, stating that while there was an economic cost (in terms of lost fishing income), it was an important move. She also looked forward to receiving technical support from SPC, and other organisations and countries in the region, in managing the protected area. She noted the importance of continuing support from SPC and other organisations in meeting

international obligations such as the MDGs and requirements of the IMO. She noted the importance of exploring alternatives to fossil fuels that were both cheaper and cleaner. She noted the change that had taken place with respect to trans-national security, which is an area where PICTs are now seen as a weak link. She noted in this regard the problems posed by Kiribati's vast EEZ, observing that Kiribati has no means of conducting maritime surveillance to protect its resources and national sovereignty. She noted assistance provided by Australia and New Zealand, and asked if SPC's Maritime Programme could look into how greater assistance could be provided, given emerging maritime security issues. She welcomed the recent announcement by New Zealand on seasonal labour, and welcomed the opportunity to work on the issue with Australia, especially in relation to nursing. She noted that Kiribati took a structured approach to employment, seeking to build the technical capacity of professional workers, in addition to seeking opportunities for unskilled labour. She closed by confirming the need for PICTs to work closely with CROP organisations to address the many cross-cutting issues.

71. The representative from New Caledonia said that he was pleased to be able to discuss the issues that had been raised by the Director-General, noting that although some did not pertain directly to SPC activities, they did relate to the development of strategies and actions. By looking at such issues more broadly, the work of regional organisations could hopefully be better coordinated, making optimum use of available resources. He emphasised the value of sharing ideas and views expressed by members at CRGA with other international organisations. He hoped that the Director-General would pass on the views expressed by CRGA members to the heads of the other CROP agencies. He noted New Caledonia's experience in vocational training, which is assisted by the 9th EDF; the territory's experience in renewable energy and related work to reduce the demand for fossil fuels; and ongoing work to develop MDG indicators that are more suited to territories (as opposed to states). He also commented on the importance of being part of the MDG process and New Caledonia's work toward achieving gender equality. He observed that New Caledonia is one of the world's biodiversity hotspots, and remarked on the importance of preserving natural resources for future generations. He noted that it was essential to address these challenges in the context of CRGA and said he hoped that the next CRGA could evaluate progress on some of the issues discussed.

72. The representative from Tonga thanked the Director-General for his excellent presentation. She noted the importance of technical and vocational education at the national level, noting that Tonga had established a new Ministry for Vocational Training, Youth and Sport. She said that Tonga would welcome assistance from SPC as the new ministry began its work, which will include addressing youth unemployment and Tonga's increased crime rate.

73. The representative from the United States noted the comment from Solomon Islands regarding WWII wrecks, and said that he would do his best to address the issue with the representative.

74. The representative from Cook Islands welcomed the Director-General's paper and commended the Secretariat for highlighting the key issues. He noted that the issues would be very challenging to address, and welcomed the proactive approach that highlighted the work of SPC and other CROP agencies. He said that Cook Islands was at a critical juncture in finding a balance between economic prosperity, growth, protection of the environment, and social, cultural and national identity. He welcomed the efforts of CROP agencies to help address these challenges, and thanked development partners for their continued support for these organisations.

75. The representative of FSM voiced his support for both the presentation and members' comments, and commented that the Director-General's presentation should be shared with decision makers at all levels in the region. He noted that the presence of arms in FSM is an emerging concern, and asked if the Maritime Programme could provide assistance in border/import control as FSM lacks capacity in this area. He noted that FSM would be conducting an in-country workshop on the Pacific Plan to examine the implications for FSM. He requested that SPC consider participating in that workshop in order to review important information regarding regional challenges with FSM's technical staff and decision makers.

76. The representative of Tuvalu thanked the Director-General for sharing his insights into key regional challenges. He noted the need to be aware of interrelated issues, and to hone in on and strengthen SPC's areas of comparative advantage. He indicated that resource pressure resulting from population growth made it imperative that strategic interventions be developed by national leaders, who are responsible for driving the change agenda. He noted the need for an ecosystem approach to management, and supported the emphasis on climate change issues, especially on mitigation and adaptation strategies, and the focus on food security. He said that Tuvalu would continue to advocate for global action to address climate change. He noted the importance of tailoring the MDG indicators for the region and the importance of support for national-level MDG reporting. He said he was glad that labour mobility had been given priority in the recent Forum meeting, and commended New Zealand for its seasonal guest worker scheme; he said he looked forward to a similar move by Australia. He noted the challenges faced by SIS, and said that although these did not fit within the conventional definition of issues and challenges, it was generally recognised that SIS issues deserve special attention. He acknowledged PNG's support on this issue. He noted the SIS-related policy responses by SPC that had already been discussed (e.g. appointing a member of the executive as an SIS focal point, identifying joint country strategies, and addressing shipping concerns), and hoped that further support could be given to address the special problems and concerns of SIS.

77. The representative of French Polynesia congratulated the Director General for involving the membership in a discussion of such important issues, and noted the importance of training and education for people in SIS. He suggested that the CRGA paper be presented to all Pacific leaders.

78. The representative of UNICEF congratulated the Director-General for his excellent presentation, and noted the importance of HIV/AIDS as an additional challenge that urgently required effective regional leadership.

79. The representative of OCO noted the negative environmental and political impacts of transnational crime, speaking in particular about CITES violations that have occurred within the region. He proposed that a working group be set up between OCO, SPC, and SPREP on these issues. He noted the importance of practical work at the ground level as well as policy development.

80. The Director-General thanked the representatives for their comments. He noted the issue raised by the representative of Solomon Islands regarding the absence of a level playing field for PICTs within WTO. He assured the representative of New Caledonia that efforts would be collaborative, and any results and important views expressed by members on these issues would be shared with colleagues from other CROP organisations. He noted the request for assistance from Cook Islands, and the observation from French Polynesia that his presentation be shared more widely. He said that he had previously presented it to parliamentary meetings, and said that it would be shared in February 2007 with the Pacific Parliamentary Assembly on Population and Development, for which SPC serves as the Secretariat. He stressed that SPC did not normally have direct access to Forum leaders, and thus relied on its member representatives to bring issues to the attention of the Forum. He concurred that HIV/AIDS was an important regional issue, and said that it would be addressed within the Pacific Health strategy that would be discussed later within CRGA.

CRGA decision

81. CRGA:

- i) noted and discussed the challenges facing the region presented in the Director-General's paper;
- ii) further noted that some of the challenges are covered in more detail in CRGA policy papers to follow;
- iii) further noted that some of the challenges are being addressed by other competent authorities, but are presented in the paper for the sake of completeness; and
- iv) recommended that the Director-General of SPC be given an opportunity to make a presentation of the key issues to Pacific leaders at their next meeting in Tonga in 2007.

AGENDA ITEM 3.2 – SPC SERVICES– CONTRIBUTION TO ECONOMIC GROWTH IN THE REGION

82. Deputy Director-General Richard Mann introduced this agenda item on economic growth in PICTs and on SPC's contributions to such growth. He noted that the Secretariat's presentation drew heavily on the recently published Pacific 2020 Report; Director-General Jimmie Rodgers was a member of the Pacific 2020 Steering Committee. The Deputy Director-General cited a number of serious challenges facing PICTs, such as unemployment, mounting health problems, the impacts of climate change and growing urbanisation. Pacific 2020 highlights the poor growth performance of PICTs over the past two decades, but also reports an improvement since about 2003. The report states that, ultimately, the private sector must drive economic growth. The Deputy Director-General also alluded to the Asian Development Bank's reports on "Hardship and Poverty in the Pacific" and "An Assessment of the Private Sector in the Pacific", noting that, while SPC did not necessarily agree with all the content, these reports provided food for thought. The "Pacific Plan for Strengthening Regional Cooperation and Integration" also has economic growth as one of its major goals. The Deputy Director-General showed how SPC programmes contribute to SPC's vision of a "prosperous" Pacific and, directly or indirectly, to economic growth in the Pacific Islands region through three main strategies. In the productive sectors of agriculture, forestry and fisheries, and the maritime (transport) sector, the Secretariat's interventions support PICTs' efforts to formulate sound national development policies and strategies and encourage economic development. The importance of addressing fundamental growth factors is recognised in the work of the Information Communication Technology section and in SPC's social programmes (human development and public health). Better economic statistics are required to measure economic performance in the region more accurately and SPC's Statistics and Demography Programme is developing a major project in this area, in consultation and collaboration with relevant stakeholders. The Deputy Director-General invited CRGA to discuss SPC's role in supporting the economic growth of its members and to endorse its main strategies for supporting this growth.

83. The representative of New Zealand supported the recommendations submitted by the Secretariat, but urged SPC to work with other agencies with a mandate for economic policy development, including FORSEC, ADB and PFTAC, to avoid duplication and foster cooperation.

84. The representative of Tuvalu supported the SPC initiative in the area of economic growth. However, while acknowledging the value of the research underpinning the paper, he said much of it was based on market-based economics, which may work well in other parts of the world but not necessarily in PICTs. The ADB studies and the Pacific 2020 document were based on the assumption that development of the private sector is the basis for economic growth, and while this might be the case elsewhere it was not proven to be true in the region. Even the SIS group also included a sub-grouping of atoll countries, and there was no "one size fits all" in the region. He stressed that SPC services need to be tailored to the needs of its members, and welcomed the development of joint country engagement strategies. He recommended SPC's proposed project on improving economic statistics to donors.

85. The representative of Wallis and Futuna echoed these sentiments, adding that poverty in the region was a result of economic growth, which had been a destabilizing factor in the region. The challenge was to develop a true Pacific Island model of economic development, instead of using a Western model that was not culturally appropriate.

86. The representative of Australia stressed that Pacific 2020 was developed as a tool for PICTs. Pacific 2020 is not a descriptive document but provides food for thought in terms of scenarios for the region. She emphasised that it was important for countries, for SPC, and for other CROP agencies to have access to good information and see how their work contributes to economic growth. In relation to possible crossover in the mandates of various agencies, she added that it was crucial for all parties to recognise that economic development is everyone's business. She fully supported the recommendations.

87. The representative of Tonga alluded to the proposal for a new maritime organisation in the region. She stressed the value of a regional approach as the only way to compete with Asia. She suggested that RMP could put together crew packages made up of seafarers from various PICTs, enabling the region to offer complete crews to ship owners. This could increase employment opportunities.

88. The representative of Solomon Islands referred to the Secretariat's proposal for a new project to obtain better economic statistics. He stated that SPC should increase its capacity to collect and analyse data, particularly economic data. Of particular importance was SPC's capacity to carry out economic analysis. Better economic statistics would better inform policy making, and could enhance economic growth strategies.

89. The representative of the United States of America supported the views expressed in the document, particularly with respect to how government policies and good governance promote economic growth. He inquired about the funding and staffing implications of the new initiatives and strategies. The United States sought and received the Secretariat's confirmation that the resource implications of the recommendations in Paper 3.2 would be neutral. Referring to the question of economic analysis, he wondered if SPC was the best organisation to provide this assistance to PICTs. He informed CRGA that discussion had taken place at the recent Forum meeting on how PICTs could tap into the US market. In order to promote better economic cooperation between PICTs and the US, the US Assistant Secretary of State for East Asian and Pacific affairs had offered to host an economic conference in Washington D.C., in early 2007, likely at the same time as the Pacific Islands Conference of Leaders meeting in Washington. He noted it might also be appropriate for SPC to attend.

90. The representative of the Northern Mariana Islands stated that the bottom line was the quality of life that PICTs wanted, in terms of their economic, social and political future. He agreed that SPC could provide tools to assist members, but noted that, ultimately, governments are responsible for developing policies and determining the kind of development and future they want for their people. He mentioned the economic development issues faced by educated young people in his country, who have more difficulty accessing development loans to engage in business enterprises such as fisheries or agriculture projects, because seed grants from the US Economic Development Administration are no longer available, and locally dedicated economic funds are hard pressed. He also wondered what the growth performance of Micronesian countries was, as this was not listed in the Secretariat's paper. Most PICTs lack the mineral resources, etc. of more well developed countries, which presents challenges to building sustainable economic development in the region. Therefore, to build a self-sustaining nation, it was necessary to build capacity at the "taro roots". He requested SPC include links to SPC member countries and territories, other CROP agencies and development partners on its website, with downloadable examples of success stories for ease of access and sharing.

91. The representative of Papua New Guinea welcomed the challenge presented by SPC in tackling economic development issues and stressed that SPC has a fundamental role to assist PICTs in that area through its programmes. He endorsed the recommendations on the understanding that SPC would work within its niche areas of expertise and in collaboration with other CROP agencies. He noted the value of taking the Pacific 2020 document on board, but felt that it was important to adapt it to the kind of economic model that PICTs could own.

92. The representative of the Cook Islands fully endorsed the recommendations. He said that SPC had an important role to play in supporting economic growth in its members. He also urged SPC to work closely with CROP agencies and others, to avoid duplication.

93. The representative of Kiribati supported the recommendation. She endorsed SPC's work to assist the economic growth of PICTs through its programmes. She agreed with previous comments on the special needs of SIS and welcomed SPC's country-specific development initiatives as applied in Kiribati. She agreed that SPC had useful expertise in a number of areas, but that it should coordinate with other agencies to avoid duplication of effort.

94. The representative of the Marshall Islands expressed his support for the Secretariat's initiatives on economic growth and endorsed the recommendations. He urged SPC to work in collaboration with other organisations to contribute to the economic growth of PICTs. He requested the Director-General to present this paper, along with the paper on key issues, to the next Forum leaders meeting.

95. The representative of New Caledonia congratulated the Deputy Director-General on his presentation. He stated that the challenge for governments was to ensure that economic development was in harmony with traditional customs, and that local populations were involved in the process through a participatory approach. He gave examples of the involvement of New Caledonia's tribes in the mining projects of the Northern and Southern Provinces to ensure protection of the environment and biodiversity and reduce the social impact on the local inhabitants of these areas. Similarly, in a project to gain World Heritage listing for New Caledonia's reef areas, local communities were being involved in the development of management plans for the reef. He stressed that governments need high-quality data and praised the role of SPC in facilitating access to better economic statistics.

96. Given the important linkages between SPC's work programme/activities and the Pacific Plan and MDGs, the representative of Samoa said he would like a more comprehensive report on SPC's engagement at the national level, as was done in the presentation of the Maritime Programme. He asked SPC to produce country profiles for the 2007 CRGA meeting to provide a clear overview of its activities in individual PICTs.

97. The Deputy Director-General welcomed the overall support of representatives for SPC's role in economic development. He agreed that coordination and collaboration with other regional partners was required, and that economic growth was everybody's business. He took note of the comments that SPC should work within its niche areas of expertise, but pointed out that these areas, especially in the productive areas of agriculture, fisheries, and forestry, impacted on economic development. In relation to fundamental growth factors, SPC would address those under its mandate; a number of these factors fell under the umbrella of PIFS. The new initiatives mentioned by the Secretariat are those that were presented and approved under the divisional presentations, while the strategies mentioned in this paper show how existing programmes contribute to economic development. In relation to the assumptions contained in the ADB reports, he reiterated that SPC did not necessarily endorse the full content of the reports. He stressed that the Pacific 2020 report was balanced, measured, and provided food for thought. He noted the comment on putting together crew packages from various PICTs and indicated that this would be discussed under another agenda item at this meeting. He also noted the comments that SPC should go further in analysing economic issues and this could be conducted in collaboration with other partners. In relation to economic growth data on Micronesian countries, he was pleased to note that Kiribati had done rather well. He stated that, in looking at the comparative advantages of PICTs, SPC looked not only at challenges but also at economic opportunities and Pacific 2020 was encouraging people to do that. The Secretariat's paper focuses on economic growth, but as part of an overall development strategy that takes into account social and cultural factors.

98. The Director-General noted the comments that SPC should work within its areas of expertise and in collaboration with other agencies, while saying that some activities impacted on other areas. He felt that CROP agencies had a responsibility to look at their own programmes and to reach out to others. Regarding economic statistics, the Secretariat would soon send invitations to stakeholders to take part in roundtable discussions on the topic, to develop a road map for all partners. To be useful, economic statistics had to be translated into a development tool, which required analysis of economic statistics. He agreed that the issue of quality of life was a crucial one. The Secretariat would explore with other CROP agencies the suggestion on including links to their websites on the SPC website. The Director-General said that SPC would endeavour to provide profiles of its activities in individual countries for the next CRGA, which would be hosted in Samoa, although this had been attempted with limited success in the past.

CRGA decision

99. CRGA:

- i) confirmed SPC's role in supporting economic growth in its member countries and territories;
- ii) endorsed SPC's main strategies for supporting economic growth:
 - a) helping PICTs accelerate economic growth in the productive sectors and maritime transport
 - b) helping PICTs address fundamental growth factors
 - c) helping PICTs measure and analyse their economic performance;
- iii) supported SPC's intention to continue its collaboration with other relevant agencies, in particular with PIFS;
- iv) recommended that the Secretariat be given an opportunity to make a presentation of the key issues in Paper 3.2 to Pacific leaders at their next meeting in Tonga in 2007; and
- v) requested SPC to increase its capacity to help members produce economic statistics at the national level and to complement this with strengthened capacity for economic analyses, to provide members with options that could facilitate decision making at the national level.

AGENDA ITEM 3.3 – STRATEGIC APPROACH TO PACIFIC FISHERIES – FORECASTING AND PREPARING OPTIONS FOR THE FUTURE

100. MRD Director Tim Adams presented this paper on a strategic approach to Pacific fisheries: forecasting and preparing options for the future. The Director said that the presentation was aimed at allowing CRGA to take stock of current views on the future of fisheries in the region and to discuss some of the possible future factors that would impact on Pacific Island marine resources. The last decade has seen the development of aquaculture and the establishment of international bodies such as the Western and Central Pacific Fisheries Commission (WCPFC). PICTs are still some way from having national management plans in place for all significant fisheries and regional fisheries development assistance is still clearly needed. Important issues facing the region are the adoption of the ecosystem approach to fisheries management as "best practice" for natural resource management planning, the rising price of fuel, growing concern for animal welfare rights in relation to fisheries and aquaculture. Other issues included the growing role of aquaculture in exports and food security as wild stocks come under increasing pressure, increasing competition from other ocean and coastal users, increased public accountability, monitoring and bureaucracy, and possible improvements in fish stocks. (The paper is available from the Secretariat on request.)

101. The representative of Papua New Guinea thanked the Director, and commended SPC for calling for better management of fisheries and for offering new strategies for consideration by PICTs. He requested MRD to consider seriously the issue of invasive species of fish, particularly in relation to aquaculture.

102. The representative of French Polynesia expressed appreciation to the Director for placing fisheries issues in perspective and noted that the documents and data produced by MRD were the only source of information on the region's fisheries available in French. During the recent Hobart meeting to set up a new regional organisation on non-migratory pelagic species, discussions focused on the urgency of gathering data on these species. He requested SPC to conduct a study of the potential trophic relationship between non-migratory pelagic species (such as squid and jack mackerel) and tuna in the region's EEZs.

103. The representative of Samoa thanked the Director for the paper. He supported the proposal for an annual regional fisheries report and noted the lack of predictions on future trends and required actions, based on factual data and what has been occurring in the region and elsewhere. He urged the secretariat to set timelines for recommendations, particularly on the annual regional ocean-use report and the issue of implementation of the ecosystem approach.

104. The representative of New Caledonia mentioned that New Caledonia had aquaculture farms for prawns and shrimp and was very interested in studies on the impact of farming on mangroves. He enquired whether sufficient data was available in the region to help develop appropriate biosecurity guidelines.
105. The representative of Vanuatu commended the Secretariat on its continuous efforts to assist PICTs manage their resources. He acknowledged the importance of developing aquatic biosecurity capacity, in particular, and the need for caution, noting that Vanuatu had to deal with an invasive species.
106. The representative of Kiribati expressed concern that no country reports on inshore fisheries stocks had been provided to countries surveyed by ProcFish. She stressed that countries should receive these reports promptly. She fully supported tasking SPC with producing a report on aquaculture ecosystems management.
107. The representative of Solomon Islands expressed appreciation to SPC for providing fisheries assistance, and for the implementation of the ProcFish project in his country. He noted that the project stated that countries could access their survey data, but requested the project to provide relevant training in the analysis of the data. In relation to the development of aquatic biosecurity capability, he requested CRGA to task the Secretariat with developing a timetable for implementation, with specific outcomes
108. The representative of the Cook Islands noted that the paper was about preparing for the future, but that it lacked any reference to long-term capacity building in fisheries.
109. The representative of French Polynesia stated that any debate on specific activities should have taken place during the earlier presentation of the overview of the Marine Resources Division.
110. The representative of Wallis and Futuna indicated that, as a participating territory of the WCPFC, Wallis and Futuna benefited from access to useful and necessary information, and fully supported the work of MRD. Wallis and Futuna supported the recommendations put forward by the Secretariat, as they would help members enjoy sustainable stocks in the future.
111. The representative of Tuvalu requested further clarification on the mention of “politically difficult decisions” in the Secretariat’s paper. Referring to tuna stocks potentially in decline, such as yellowfin and bigeye, he asked how much control SPC members had and how much was in the hands of distant water fishing nations, and what measures were in place to assist countries.
112. The representative of the Marshall Islands expressed concern that it had been two years since CRGA had asked SPC to address the issue of declining stocks in the region. Last year, CRGA had requested the Secretariat to work with FFA to enter into post-Forum dialogue with the Philippines and Indonesia on their fishing activities, and he regretted that this dialogue had not taken place.
113. The representative of France noted that the question of fisheries surveillance fell under the mandate of FFA, but welcomed this timely debate. In 2006, Australia, New Zealand and France had signed a tripartite agreement on joint collaboration on maritime surveillance. This could lead to joint projects. He clarified that surveillance depended on the forces of the state concerned.
114. The representative of the United States of America regretted that late delivery of papers had not allowed input from relevant government departments and had hindered the US contribution to a full discussion. He urged the Secretariat to remedy this situation for the next CRGA meeting.
115. The MRD Director indicated that SPC did not have a lot of capacity to gather data on non highly migratory species but needed to consider their interaction with other fisheries in the region on which data was available. He agreed to put together a task force, in cooperation with New Zealand, to produce a summary for PICTs involved in fisheries negotiations. The lack of specific long-term predictions in the paper was due to the

fact that, down the track, decisions by countries impact on various situations; however, predictions can be made with more certainty for the shorter term. In relation to aquaculture farming and its impact, he replied that sufficient data was available to develop guidelines. The Secretariat was aware of the concerns of countries about delays in reporting the results of ProcFish surveys and the situation was being rectified; however, the project focused on a structured and strategic approach that took time. With respect to the lack of specific schedules for implementation of activities, the Secretariat could set a timetable to facilitate the setting of directions by CRGA. He clarified that the MRD presentation that had taken place earlier had focused on programmes and immediate activities, whereas this presentation was about a strategic approach and dealt with long-term activities. The Secretariat's role was to provide PICTs with timely, accurate and relevant information to help them make decisions; some of these decisions would be politically difficult for the membership in so far as they involved neighbouring countries and distant water fishing nations. He was aware of the request for the Secretariat to provide information to the post-Forum dialogue with Indonesia and the Philippines, but noted that the Secretariat could only indicate its willingness to do so; it would facilitate the process if Forum countries could invite SPC to do that. France had tabled the issue of surveillance and rightly pointed out that this was part of FFA's mandate, even though SPC also included Pacific territories. This issue might be usefully tabled at the meeting of the new Fisheries Commission.

116. The Director-General added that the Secretariat would attempt to make progress on the production of an annual regional publication on ocean use and to provide predictions for fisheries, at least for the immediate future, by the next CRGA. The Secretariat would also endeavour to make papers available in a timely manner in future. Regarding the request for the Secretariat to engage in post-Forum dialogue with Indonesia and the Philippines on the question of their fishing activities, he pointed out that the Secretariat had attempted to do that, but there had been a communication breakdown. Nevertheless, the Secretariat was willing and able to provide information to serve as a basis for discussion with the two countries concerned.

CRGA decision

117. CRGA noted:

- i) that world fisheries are at a critical turning point, and although the Pacific Islands region has been less impacted than other regions and has generally exercised its marine resource custodial responsibilities well, that firm and probably politically-difficult decisions will need to be taken in the immediate future if the sustainability of these resources in general is to be maintained into the future
- ii) that the application of the Ecosystem Approach to Fisheries Management¹ provides the best prospect for effective governance of Pacific Island oceanic and coastal fisheries, and for maintaining or restoring fisheries production. CRGA recognises that the application of the EAFM by the 2010 deadline agreed by members at the WSSD will require commitment at the regional, national and local levels to (a) carrying out the necessary analyses and consultations, and (b) developing the legal frameworks, inter-departmental and community linkages, and monitoring mechanisms necessary for its operation;
- iii) the growing need for the establishment of national and territorial aquatic biosecurity capacity as one of the essential bases not only for sustainable aquaculture development and fisheries trade but the protection of marine and freshwater ecosystems, asked the secretariat to report on national and territorial progress towards the establishment of aquatic biosecurity capacity at the 2007 CRGA meeting, noting that Heads of Fisheries had required that members have such capacity in place by 2010;

¹It is noted that the ecosystem approach to fisheries management is not confined just to setting up marine protected areas (MPAs), nor does it preclude the use of MPAs. It is an holistic approach to management based on participatory social, economic, and biological analysis of each fishery, where decisions are triggered and success measured not just on the basis of target species status, but on the status of the whole system.

- iv) that interaction and competition are the critical issues in fisheries governance, whether it be interaction between different groups of fishers using the same fish stock or resource (whether foreign, domestic commercial, recreational or subsistence), between different potential ocean-space users (including fishing, shipping, tourism, heritage or wildlife conservation, and ecosystem services), or between government departments or resource custodians, and that research into these interactions is needed;
- v) that although regional tuna fisheries are comparatively well-reported, there is no annual regional report on the status of all fisheries, or other aspects of ocean use in the Pacific Islands region, and that such a report, based on the best available statistical and scientific data, and a fair balance of available opinions in cases where data is not available, would be valuable to national and international decision-makers. CRGA directed SPC's Marine Resources Division to coordinate the production of a regular annual report addressing the status of the Western Tropical Pacific Ocean and its resources and uses, with the first report produced in time for consideration by CRGA 37; and
- vi) that SPC should continue to explore options for addressing the problem of declining tuna stocks in the region.

AGENDA ITEM 3.4 – MANAGING FOREST RESOURCES FOR CURRENT AND FUTURE GENERATIONS OF PACIFIC ISLAND PEOPLE

118. SPC's Forest and Trees Programme Adviser gave a presentation on managing forest and tree resources for current and future generations of Pacific Islanders. He noted that his purpose was to bring to CRGA's attention the need for improved management of some member's forests. He indicated that his paper addressed a number of good practices as well as some lessons, with a focus on sustainable forest management. He noted that the issues were especially relevant to larger Melanesian countries, but said that some lessons were also very relevant to smaller countries. He observed that forests and trees provide a range of environmental, social and economic benefits to PICTs. Many larger countries focus on the timber value of forests, and view them as a springboard for economic development. He noted that pressure on forest resources is increasing: Fiji plans to increase its forest-related revenues by a factor of 10 in coming years, while forests provide a very significant proportion of government revenues in Solomon Islands. He also noted the very significant impact from unsustainable logging practices, highlighted the Marovo lagoon in the Solomon Islands, where 85% of forest resources have been harvested, with significant resulting impact on the environment, and the future of local residents.

119. He noted the need to balance the benefits coming out of forests, and the challenges some countries, face, and in particular Solomon Islands, to reduce harvests to a sustainable level. He noted that this would cause a decline in government duties and landowner royalties. He also spoke about the fragmentation of the forestry sector and the need for better coordination; the problems relating to inadequate national forest policies and legislation that don't support the international obligations of PICTs; the actions of foreign logging companies which in many cases included activities not legal in their home countries; and the need to consider alternatives to logging and round log exports. He noted that there was an urgent need for countries to make the correct choices, but that the political will was often lacking

120. He outlined the way forward for SPC's Forest and Trees Programme, which is working to improve how it implements its activities by addressing regional initiatives, implementing resource sharing, and ensuring that expertise is shared across the region, stressing that small countries could not mobilise enough resources on their own. He outlined interventions in three main areas for the 2007-2009 period, noting that the programme now included a forest genetic resources officer, and a Pohnpei-based forestry expert. He said that SPC would be doing more applied research, so as to enable better decision making, and was examining the establishment of a technical advisory group (the issues are discussed in detail in Paper 3.4, which is available upon request from the Secretariat).

121. The representative of the United States noted that Paper 3.4 had been shared with relevant agencies in the US, and that in their view the proposed approach was sound. He noted the ongoing work of the UN Forum on Forests (to which SPC has been admitted as an official observer), and noted the importance coordinating and ensuring consistency between the work of SPC and this ongoing international process. He said that value-added activities often seemed appealing, but said that his country's experts cautioned the need to be certain that local products are indeed competitive in the world market, noting that this was not an automatic solution to forestry problems. Regarding foreign owned logging companies and legislation that may exist in their home countries, he noted that ultimately what mattered most is the legislation that is in place in the countries where logging is taking place. With respect to the development of local and regional certification standards, he observed that some existed, and said there might be models upon which to draw, and hoped to have examples to share with members and the Secretariat prior to the end of the meeting. He closed by reaffirming his country's support for the work and approach being taken by SPC.

122. The representative of PNG agreed that there are real concerns present in the forestry sector, and thanked the manager for highlighting the issues. He noted that the level of unsustainable logging had increased, and indicated that landowners were sometimes coerced into agreements with logging companies. He suggested that the issue was not simply whether good laws were in place — which they are in PNG — and indicated that corruption is also a very significant problem. He said there was a need to enforce the monitoring and regulatory elements in these laws, noting that the issues fundamentally involved social and regulatory issues. He said landowners often have few livelihood alternatives. He noted the work that was being done both regionally, and internationally, but said that there is ultimately a responsibility at the national level to translate laws into real actions. He said that the task was daunting, but not impossible, and was ultimately dependent on political decisions and political will.

123. The representative of Australia thanked the Secretariat for its interesting report and noted her country supports the recommendations, which she said were sound. She said Australia's Forestry Department felt there was a need to develop stronger recommendations, and felt the paper might be underestimating the corruption-related problems that existed. She noted that it was difficult to make a lasting impact on governance issues in forestry, and was hard to develop alternative livelihoods for affected landowners and villagers. She noted that the issue was in many respects political, and needed to be addressed accordingly, and suggested the stronger recommendations be developed for 2007.

124. The representative of the US inquired if such changes could be made during the CRGA meeting, thus enabling strengthened recommendations to be adopted this year.

125. The representative of Samoa stated that he had no problem with the issues raised by the Secretariat, and observed that they were not new. He inquired whether the Heads or Ministries of Forestry had taken a position on the issues being raised.

126. The Forest and Trees Manager noted that while some PICT forestry policies and laws were old and out of date, some were adequate, and confirmed the importance of implementation and enforcement of legislation, which was often hampered by a lack of resources in the relevant agencies. He noted foreign owned logging companies are often given leeway to operate outside their own countries which they would not enjoy at home. He observed that the issues being discussed had been presented to Pacific leaders as long ago as 1984, which resulted in development of the regional code of logging practice, which was in turn the catalyst for development of logging codes of Practice by individual Melanesian countries. He noted that the issues had also been presented to the 2004 Ministers of Agriculture and Forestry meeting in Suva, but that this CRGA meeting presented the first opportunity to discuss the issues with SPC's full membership.

127. The Director-General noted that although the issues tabled in paper 3.4 had been previously raised with sectoral ministers, they were being brought before CRGA because of the need to develop broad-based support in PICT cabinets, and to encourage the consideration of various possible management actions. He also noted that

the Secretariat would be happy to look at strengthening the recommendations in Paper 3.4 for further consideration by CRGA 36.

CRGA decision

128. CRGA

- i) noted the forestry-related challenges highlighted in CRGA Paper 3.4, including fragmented forest sectors; outdated and inadequate forest policies and legislation; inadequate government machinery to protect and support traditional land tenure systems; Forestry Acts that in some cases do not protect land owners, serve to undermine their livelihood, and offer no recourse to justice; undue influence by some foreign logging companies in national decision-making machineries; the need for correct political choices and a vision for future generations to guide sustainable management of forest resources alternatives to logging and round log export;
- ii) noted in addition that that some PICTs are currently harvesting their natural forests at unsustainable levels, while acknowledging that progress is also being made by some PICTs with respect to improved forest management,
- iii) endorsed a renewed call for a strong commitment by PICTs to sustainable forest management, including the full implementation of their forestry and other related acts and laws,
- iv) further endorsed the proposed SPC interventions, in line with ongoing discussions in international forums, and which focus on three themes aimed at strengthening national forest sector machineries, enhancing strategic alliances and fostering more effective partnerships to shift the forestry agenda to the next level, with the goals of achieving real outcomes and benefits from forestry for present and future generations.

AGENDA ITEM 3.5 – ADDRESSING YOUTH CHALLENGES IN THE REGION – FROM THE PACIFIC YOUTH STRATEGY AND PACIFIC YOUTH CHARTER TO IMPLEMENTATION – A COORDINATED APPROACH

129. The Youth Development Adviser gave a presentation outlining the Secretariat's approach to the "youth challenge". He indicated that the ultimate goal was to develop well rounded, productive and worthwhile citizens, and said that the key challenge for the region was its large youth population, noting that the region's median age was only 21 years. He indicated that this large youth population placed pressure on families, society and the environment and complicated the provision of public services. He noted that the particular challenges involved in addressing youth issues included education, employment, health, poverty or hardship, and social tension. He outlined the responses at the regional level, including the Pacific Youth Strategy 2010 (approved in December 2005 in Port Moresby by the Pacific Community Youth Ministers meeting); the Pacific Youth Charter; and the Pacific Plan (Initiatives 9.1 and 15.4). He also noted that the way forward for the Secretariat in addressing youth issues included an increased focus on youth priorities at the national level, strategic engagement at regional and international levels, and strategic positioning of SPC to address youth issues. (The issues addressed by the Youth Development Adviser are covered in detail in CRGA 36 Paper 3.5, which is available on request from the Secretariat).

130. The representative of Niue expressed his appreciation to the Youth Development Adviser for his comprehensive presentation, which he said was both lively and educational. He noted the importance of the other programmes (e.g. forestry or marine) discussed by CRGA, but observed that youth are the region's most important resource. He stressed that strategies had to be realistic, and acknowledged the work being done by SPC, noting that he had worked with the adviser a few years before on the youth policy for Niue. He asked for clarification from the Secretariat on the availability of resources for carrying out the activities that had been spelled out.

131. The representative from PNG thanked the youth development adviser for his presentation. He noted that in PNG, there are serious problems for youth. He said national action is important, rather than looking at regional programmes to address what is really an issue for individual governments. An increasing number of urban youth in PNG are landless. This is a new phenomenon due to the growth of squatter settlements and needs to be addressed in many ways, including education and planning to insure there are no 'push outs'. A whole of government approach was needed. He regretted that the Pacific Youth Strategy only went to 2010, and suggested it should perhaps look to 2020. There was a need for a sharp focus on community involvement. Civil society and faith-based organisations had been very effective in this area and needed to be included in activities. He thanked Australia for its funding support for PNG's HIV/AIDS programme. Attention had to be given to people 21 years and under because this age group was more likely to take risks. He hoped that a longer term strategy could be developed for youth so that the funding and effort required could be marshalled.

132. The representative from Kiribati commended the youth development adviser for his presentation, which highlighted the issues facing PICTs. She agreed that the challenges were real and must be addressed both nationally and regionally. Kiribati had recently held a national leadership convention that brought together all stakeholders, including women, youth, and civil society. As an outcome of this convention, the government had decided to provide substantial funds to assist in implementation of youth activities. She welcomed the ongoing work of the Pacific Youth Bureau and that of other CROP agencies. She also welcomed the assistance of the Youth Bureau in the development of a youth policy. She said it was important to involve all stakeholders, including families, which is where these issues must be addressed first, and looked forward to further constructive cooperation with SPC.

133. The representative from Wallis and Futuna also commended the youth development adviser for his presentation, and thanked him for the faith that he always placed in youth and his efforts on their behalf. She welcomed the changes made in the latest strategy. The representatives from Wallis and Futuna who took part in the Youth Festival returned full of enthusiasm and will hold a Youth Congress in early December. They have contacted political, customary and other authorities so they can discuss the future of youth in Wallis and Futuna and seek action.

134. The representative from Samoa thanked the youth development adviser for his presentation and said Samoa supported this programme, and acknowledged the work of the Pacific Youth Bureau in Samoa. He noted in the 2007 budget that a number of activities were planned for the PYB for 2007, including the development of national plans for several PICTs for which these had not yet been completed. This left less than four years (till 2010), which was not long enough to achieve planned objectives. He asked if the proposed budget was sufficient to carry out the scheduled activities and inquired whether the PYB would be seeking additional funding.

135. The observer from UNICEF noted that youth are not the problem. Their activities may present problems, but youth are a priority and are great agents of change. This priority was not reflected in SPC's budget, or in national budgets. Policy makers still assign less than 1% of their budgets to youth programmes. It is often said that youth problems are related to poverty of opportunities in the Pacific, but often it is really poverty of initiatives. She asked if leaders were listening to youth and giving them opportunities to translate their ideas into actions. Countries would benefit from their participation and initiatives.

136. The representative from Solomon Islands said there was no poverty of imagination in the strategy presented, which clearly articulated the way forward. He was pleased to note that the regional strategy was firmly anchored within national priorities, and also that Solomon Islands was in the queue for assistance with capacity building for youth. Three Solomon Islands' provinces have drafted youth strategies and three youth provincial advisers are being recruited. He noted that after the development of the draft Pacific youth charter at the Youth Festival there was talk of a Youth Alliance for Melanesia (YAM) and asked if SPC had taken further action on this idea and when would consultation occur.

137. On the question of nurturing sustainable livelihoods, the representative from Solomon Islands said that Solomon Islands had submitted some proposals this year and wondered when they would get a response. Finally, he noted that Solomon Islands would like to see an increase in the Youth Bureau's budget.

138. The representative from Tonga thanked the youth development adviser for his presentation and mentioned that Tonga's newly formed Ministry for Youth would be interested in becoming involved in the work of the Youth Bureau. She asked if employment statistics were available for all PICTs, not just for those shown in the table that was presented.

139. The representative from Samoa asked for clarification of the roles of SPC and UNICEF in relation to youth.

140. The representative from the Marshall Islands said that a few years ago the Pacific Youth Bureau was almost inactive and that the youth development adviser had breathed life into the programme. He was grateful for the reminder that the responsibility for producing good citizens began at home. He thanked the adviser for the many activities he undertook and requested that he stay on to ensure continuity and to work with the countries that he had not worked with to date.

141. The youth development adviser noted that a monitoring and evaluation framework had been built into existing PICT youth policies, and that SPC could also help review policies where needed. The policies were written after wide consultation with youth, development partners, etc. so now all policies were linked to national sustainable development plans for each country. In relation to the Youth Alliance for Melanesia (YAM), he said SPC could help YAM with designing a constitution and a clear strategy linked to national visions. He said training had been provided to help youth leaders prepare funding submissions and project proposals. In Tonga, the Bureau was helping to implement an effective monitoring and evaluation policy, which was already built into the youth policy. In relation to employment statistics, the database requirements in the new strategy meant that that information would eventually be available for all PICTs. He said in relation to UNICEF and SPC activities, that SPC deals with the whole youth group, while UNICEF deals with specific groups and also with youth under the age of 18 under the Convention on the Rights of the Child

142. The Deputy Director-General (Noumea) said that SPC realised that there were insufficient resources to do everything the youth adviser had outlined. The 2005 Corporate Review had come to the same conclusion. The programme had now been integrated into the Human Development Programme (HDP) and although this did not necessarily increase the resources available to the programme, it did increase flexibility in resource allocation. There had also been an increase in funding for the HDP from Australia. In addition, a request would be made for an increase in assessed contributions and some of that would go towards the Youth Bureau.

143. The Director-General said youth were a priority that SPC intended to deliver on. In 1997, he had presented a paper asking for guidance on the future of the Youth Bureau. The response was that they hoped youth were as important as tuna. He said that it had been reiterated that youth are the Pacific's most important resource, but SPC needs more resources if it is to do more in this area. He expressed his hope that CRGA will consider this when dealing with the 2007 budget paper.

CRGA decision

144. CRGA noted and endorsed the proposed way forward, which would be guided by PYS2010 and its monitoring and evaluation framework, and by relevant initiatives contained within the Pacific Plan. This would encompass interventions aimed at strengthening national youth machineries, enhancing strategic alliances and fostering more effective partnerships, and would include strengthening of the Pacific Youth Council, commissioning of research on youth-related issues, enhancement of regional service delivery and support for regional and international youth events, and establishment of a technical advisory group to provide advice to PYB on PYS2010 implementation and youth issues more generally.

AGENDA ITEM 3.6 – A FOCUS ON SMALL ISLAND STATES²

145. The Deputy Director-General, Falani Aukuso, presented an overview of SPC's plan to increase its focus on small island states (SIS). He said that SIS faced special challenges due to vulnerability, isolation and small size. Their ability to meet these challenges was often strained due to lack of capacity. Twelve SPC members were currently recognised by Conference as SIS: American Samoa, Cook Islands, Kiribati, Marshall Islands, Nauru, Niue, Northern Marianas, Palau, Pitcairn, Tokelau, Tuvalu, and Wallis and Futuna. He noted that SPC services were available on an equitable basis to all members, but few of them specifically targeted SIS. In some cases, SPC activities were restricted by donor criteria, e.g. EU-funded activities might only target the EU's ACP countries. Everything was on a small scale in SIS, including their bureaucracies, which meant there were heavy demands on officials' skills and time. SIS often needed support in identifying priorities and in putting forward project proposals and managing projects. They also faced difficulties in complying with regional and international obligations. Their isolation meant transport and communication were often inadequate and expensive, lessening opportunities for trade, tourism and economic growth. Small populations were also particularly vulnerable to emerging diseases. While SPC cannot resolve issues such as communication and transport on its own, it can provide SIS with advice and technical assistance to make policy, train people and identify resources, and collaborate with other agencies and donors on relevant activities. SPC is increasing its focus on SIS in several ways. The Deputy Director-General (Suva) has been designated as a focal point for SIS, and will oversee SPC's engagement with SIS. SPC has been collaborating with PIFS' SIS Unit to look at shipping administration and transport. The Director-General has visited four SIS in the past six months and a multi-sectoral mission has visited Kiribati to develop a joint country strategy. Joint country strategies are planned for several other SIS within the next 12 months and internal programme delivery mechanisms will be better tailored to the needs of SIS. In summary, SPC plans to take a more coordinated and focused approach to delivering services to its SIS members without compromising the support it provides to all members.

146. The representative from Tuvalu thanked the Deputy Director-General for his informative presentation and welcomed SPC's emphasis on SIS. He said it mirrored the efforts of PIFS, which had set up an SIS unit and appointed in-country officers in SIS. He also welcomed the designation of a high-level focal point within SPC but asked if this action was enough on its own. He proposed that SPC should establish and appropriately resource a dedicated SIS unit to provide an effective mechanism for addressing SIS concerns. The unit should work with all SPC sections to ensure planned activities met SIS requirements and should establish links with the PIFS unit to optimise efforts and avoid duplication. He supported the emphasis on SIS shipping services and noted that a meeting in Majuro later in November would look at air services for SIS. He encouraged SPC's involvement in this meeting. He also welcomed SPC's development of joint country strategies for five SIS within the next 12 months and asked how these countries had been selected, given that Tuvalu was not among them. He said that Tuvalu looked forward to hosting the SPC country strategy mission at the earliest opportunity.

147. The representative from Cook Islands thanked the Deputy Director-General for his presentation and noted that his country was one of the smaller SIS but was spread over an EEZ of 2 million square kilometres of ocean. He supported the recommendations of the paper and also Tuvalu's suggestion of establishing an SIS unit within SPC.

148. The representative from Kiribati commended the Deputy Director-General on his presentation and thanked SPC for designating a focal point for SIS who was acutely aware of the challenges they faced. She also supported Tuvalu's suggestion of establishing an SIS unit within SPC and stressed the need for coordination with the PIFS unit. She welcomed the development of joint country strategies and said that the country missions offered an opportunity for direct discussion with SPC staff responsible for implementing programme activities.

² The use of small island states (SIS) in this context refers to both countries and territories.

149. The representative from Marshall Islands expressed his appreciation to the Deputy Director-General for his presentation and for taking on the role of SIS focal point. He thanked SPC for its emphasis on the needs of SIS and asked why Palau was not included in the list of SIS.

150. The representative from France welcomed SPC's focus on SIS and the designation of a focal point. During the recent Forum meeting, he had been present at the discussions between the EU and the Forum under the economic partnership agreement and had taken note of concerns voiced by SIS who did not have trading interests and who feared a reduction in available resources. He stated that France supported the development of balanced economic partnership agreements, taking into consideration the interests of the parties as a whole, and that France attached special importance to fundamental development needs.

151. The representative from Palau welcomed the initiatives on SIS and said he hoped SPC's Pohnpei office would be tasked with providing assistance for SIS in the North Pacific.

152. The representative from Tonga acknowledged SPC's focus on SIS and asked where the additional resources would come from to implement country-specific strategies.

153. The representative from French Polynesia joined other representatives in thanking the Deputy Director-General for his presentation. He said that though his country was not recognized as an SIS, its individual islands corresponded to SIS. He supported the paper's recommendations.

154. The representative from Niue thanked the Deputy Director-General for his presentation and said he looked forward to working with SPC to address the challenges facing SIS. He acknowledged the support of larger islands for the increased focus on SIS and said he supported the recommendations, although they were just the beginning of the work that was needed.

155. The representative from Wallis and Futuna thanked the Deputy Director-General for his clear presentation and said that her country, which was indeed isolated, was pleased with SPC's new approach. She supported the recommendations and said Wallis and Futuna would be pleased to host a visit from the Deputy Director-General.

156. The representative from CNMI expressed appreciation for SPC's focus on SIS and asked about the criteria used to prioritise the needs of SIS, stating that the selection should be fair and equitable across the board, while giving priority to those most in need. He endorsed the legitimate concerns articulated by Tuvalu in ensuring that a dedicated, adequately resources and staffed SIS unit be created within SPC to better position the organisation to address the unique capacity building and technical assistance needs of "taro roots" communities in SIS.

157. The representative from New Caledonia observed that the Secretariat paper indicated that donor criteria, and those used by the European Union in particular, often excluded island territories that were not members of the ACP countries' group from SPC programmes. In this regard, he reminded CRGA that other alternatives for accessing EU funding were available, particularly under the EDF regional OCT allocation, provided that a European-affiliated territory and at least one ACP country or regional organization were included in the project. This was a real opportunity that deserved closer attention from the territories concerned in conjunction with the SPC. Funding could also be obtained from the French Economic, Social and Cultural Cooperation fund for joint projects between the French territories and other Pacific Island States and Territories.

158. The representative from PNG thanked the Deputy Director-General for his appeal on behalf of SIS and said he was encouraged by the remarks of France and New Caledonia on the possible availability of funding. He asked about the criteria for being considered an SIS. He supported Tuvalu's suggestion of an SIS unit within SPC and said SPC must work closely with PIFS, perhaps using PIFS country representatives to reduce costs. He

urged SPC to develop a roadmap for implementation. He said there was no indication, however, of where funding for the initiative would come from.

159. The representative from the United States noted the probable benefits of the proposal, including for US territories, and asked about SPC's plans for supporting the initiative in terms of staffing and budget. He said coordination with other agencies and development partners was needed to avoid duplication of services. He stressed that SPC could not be all things to all people; other agencies might be in a better position to provide requested assistance in some areas, and it was necessary to investigate this issue.

160. The representative from FSM thanked the Deputy Director-General for clearly outlining the challenges facing SIS. He said having come from a small island country himself, he was very familiar with SIS problems, including isolation. He also noted that the challenges facing SIS are not new and referred to the listing of island country profiles enumerated under Agenda Item 3.1. The situation of SIS is well known, and given their spread, limited resources and isolation, returning students usually cannot be accommodated on their islands. He therefore urged larger CRGA members to consider an open-handed policy in assisting with SIS dilemmas, even in terms of financial assistance, though not hand-outs.

161. The representative from Tokelau thanked the Deputy Director-General for his comprehensive presentation and accurate view of the situation. He was pleased that SPC would increase its focus on SIS and said that the visit of the Director-General would be a stepping stone for his country that could help close the gap between Tokelau and other Pacific Islands. He also confirmed the full support of the Tokelau government for the upcoming SPC visit (18–23 November 2006) to develop a joint country strategy.

162. The representative from New Zealand commended SPC's focus on SIS and stressed the need to cooperate with PIFS. He asked about the financial implications of the initiatives and whether this was a move away from equitable access by all members to SPC services, or an attempt to make it easier for SIS to access existing SPC services.

163. The representative from Solomon Islands commended the direction of the paper and endorsed the recommendations. He acknowledged the vulnerability of SIS, referring to the 'bigness of their smallness', adding that a similar problem of the 'bigness of our smallness' existed in Melanesia. He also acknowledged the contribution of SIS people to leadership in the region. He supported calls by other representatives for close cooperation with PIFS. He noted that New Zealand was funding PIFS' in-country officials for one year and asked if this commitment could be extended.

164. The representative from Australia said her country was encouraged by SPC's more strategic approach to SIS and asked what additional resources would be required by the Deputy Director-General to implement the approach. She noted that countries were responsible for coordinating the efforts of different agencies and that discussions on specific issues were needed between donors, development partners and country representatives. Country strategic plans could help in this area. She stressed that there was room to look at funding in a more coordinated way. She also asked how SPC would monitor the plan and suggested that the SIS implementation matrix could be used as a starting point.

165. The representative from Samoa thanked the Deputy Director-General for his presentation. He stated that SIS concerns have been raised before by SIS members in past CRGA meeting and was an issue that led to the review of SIS members assessed contributions. He stated it would be useful to have a matrix of SPC activities in SIS for the past three years, which would provide the committee with a good overview of programme implementation. He looked forward to receiving this information at the next CRGA. He supported Tuvalu's proposal for an SIS unit within SPC, but suggested that the Deputy Director-General could review all the options over the coming year. He said that he hoped that by next year SPC would be implementing rather than identifying programme activities targeting SIS.

166. The Deputy Director-General thanked representatives for their feedback. He said that listing all SPC's activities in individual countries was difficult because SPC's systems were not set up to provide this information readily. He noted the proposal for a dedicated SIS unit within SPC and also Samoa's suggestion of considering this concept over the next year. He agreed with Australia that stakeholders needed to get together to discuss their activities. He hoped that the Director-General's visit to Tokelau with 15 representatives from other regional and international organisations would help provide such information. He said that as well as adopting a more strategic approach to SIS, SPC would become more sensitive to their needs. He said Palau was included in the SIS. As the new focal point for SIS, he would look at what could be done within existing resources.

167. The Director-General said SPC would analyse the suggestion of an SIS unit together with PIFS and other CROP agencies, and also examine how they could collectively address SIS issues, e.g. it might be better to strengthen the PIFS unit. He acknowledged that given his other responsibilities, there were limits on how much time the Deputy Director-General could devote to SIS. The criterion for SIS, which was adopted at the Canberra meeting, was a population of less than 100,000. Twelve members met this criterion. Tonga was not included, but Palau was included. He agreed that more resources were needed but first SPC would examine the mechanisms needed to deliver on the objectives. A priority was a mapping exercise to define the activities being carried out by various agencies, similar to that done in the area of HIV and AIDS. SPC would look at other funding options such as the EDF and the French Pacific Fund. He said that the focus on SIS would not compromise the delivery of SPC's services to other members. He thanked representatives for their support of the paper and said that the planned country strategies were an important part of delivering on its objectives.

168. The representative from the US said that he could not formally endorse the terms of the proposed SIS strategy and country-specific strategies without knowing the budget implications.

169. The Director-General noted this comment but said SPC wanted the flexibility to seek more resources for these initiatives.

CRGA decision

170. CRGA:

- i) noted the direction taken by the Secretariat in increasing its focus on, and taking a more coordinated approach to service delivery to SIS members through the designation of an SIS focal point at the executive level;
- ii) noted also the initiatives already undertaken by SPC to meet the needs of SIS through its various programmes;
- iii) endorsed SPC's strategic direction on meeting the unique needs of SIS;
- iv) noted that the Secretariat will consider possible scenarios to improve its services to SIS, including the proposal for the establishment of a dedicated SIS unit, will report to CRGA 2007 on the options and associated resource implications, and will consult with PIFS on the possible establishment of the unit.
- v) noted the Secretariat's intention to develop within the next 12 months, in close cooperation with development partners, joint country strategies for Nauru, Cook Islands, Tokelau, French Polynesia and American Samoa; and
- vi) noted ongoing work to identify and implement programme activities specifically targeting SIS, which could form part of the basis for developing joint country strategies.

AGENDA ITEM 4 – POLICY RESPONSE – STRATEGIC POSITIONING

AGENDA ITEM 4.1 – INCREASED FOCUS ON MEMBER PRIORITIES: MOVING SERVICES CLOSER TO MEMBERS

AGENDA ITEM 4.1.1 – STRATEGIC DECENTRALISATION OF SERVICES TO MEMBERS

171. The Director-General provided an update on the current status of programme decentralisation, in line with the adoption by the 2005 Conference of the Pacific Community of the Corporate Review recommendation to “decentralise more services beyond the two main locations”. With the official opening of the new Pohnpei regional office in January 2006, SPC now has three regional offices and 14 operational field offices, and is already fairly well decentralised. Future decentralisation of services is expected to focus on three areas. Firstly, strengthening of the Pohnpei regional office will be a priority; this office was established to improve provision and coordination of services to Northern Pacific members of SPC. Secondly, establishment and location of regional service centres hosted by member PICTs as regional providers is a new type of decentralisation in partnership with members that are at the cutting edge of certain services and may have the capacity or wish to extend those services to other PICTs. An example could be the establishment of a regional training centre for pearl farming in French Polynesia or the Cook Islands. Thirdly, the current “operational field office” mode of decentralisation for services that lend themselves well to it will be strengthened. The Secretariat proposes to pursue effective decentralisation through this three-pronged approach, and also intends to present a policy discussion paper to CRGA 2007 on host country responsibilities in hosting regional programmes.

172. The representative of France asked about the funding arrangements in place for the decentralised operational offices, and whether they were funded by SPC or fully hosted by the local administration of the host country.

173. The representative of Samoa welcomed the engagement by the agricultural sector presence in the operational field offices. He stressed the need for the Secretariat to provide more complete details to CRGA 2007 on the activities covered by the field offices, together with costing details.

174. The representative of the United States of America enquired about the resource implications of decentralisation. He also asked which countries were covered by the Pohnpei regional office.

175. With respect to the Secretariat’s proposal to distribute a policy discussion paper to CRGA 2007 on host country responsibilities, the representative of the Federated States of Micronesia asked if a study could be conducted prior to CRGA 2007 to facilitate adoption of the paper by CRGA.

176. The representative of CNMI asked if the cost analysis could be included in the proposed matrix to be submitted by the Secretariat to CRGA 2007.

177. The representative of Samoa sought clarification regarding the pool of technical officers based at the Pohnpei regional office, in the interest of avoiding duplication and determining the cost implication of service delivery.

178. The representative of Kiribati recorded her appreciation for this initiative. She stated that Kiribati was host to SPC operational field offices and would welcome their expansion to other priority areas.

179. The Director-General replied that the agriculture presence of SPC in PICTs is funded from a mix of sources, with EU funding as the major source. The appointment and location of the staff are decided by SPC in conjunction with the relevant technical ministries. They are hosted by these ministries, which are asked to fund the staff beyond the life of the project to ensure sustainability. This type of decentralisation does not have budget implications. However, the Pohnpei office is a formal regional office that focuses on delivery of services to

Northern Pacific members. The Secretariat will report to the membership at CRGA 2007 on the cost implications of this office, together with full details of the costs and activities of operational field offices. The Pohnpei regional office will call on the support and assistance of SPC staff to provide necessary expertise that is not available on site. The Director-General added that while he was on an official visit to Washington DC, talks had taken place on how statistical collaboration might be channelled through the Pohnpei regional office. Northern Pacific members served by the Pohnpei regional office are all the SPC PICTs situated north of the equator. With respect to the proposed policy discussion paper on host country responsibilities, the Secretariat hopes that the outcome of the discussion will be a CRGA decision. The Director-General pointed out that FSM has already signed a formal country agreement with SPC.

CRGA decision

180. CRGA:

- i) noted the Secretariat's willingness to further pursue the subject of decentralisation of services to members;
- ii) noted that with the formal opening of the Pohnpei regional office in FSM, SPC now has three official offices in three countries, and operational field offices in 14 other member countries and territories;
- iii) noted that the Secretariat will report to the membership at CRGA 37 (2007) on the specific role and cost implications of the Pohnpei regional office, together with full details of the costs and activities of operational field offices; and
- iv) noted the Secretariat's intention to present a policy discussion paper to CRGA 37 on host country responsibilities in hosting regional programmes.

AGENDA ITEM 4.1.2 – COUNTRY STRATEGIES – THE JOINT KIRIBATI-SPC COUNTRY STRATEGY

181. SPC's Human Development Programme (HDP) Manager, Linda Petersen, presented the experience of developing the first country strategy in Kiribati as a way of increasing focus on member priorities and moving services closer to the people. She thanked the government of Kiribati for hosting the SPC mission in June and for working with the multi-disciplinary team to develop the new process and strategy. She mentioned that the guiding principles for this project were that it had to be linked to national development frameworks, be responsive and measurable, and contribute to harmonisation efforts at the national level. Country strategies were being developed for members that were SIS, had an existing national sustainable development strategy (NSDS), were a high priority country for regional assistance, and had an ongoing national strategy development process. Steps in developing country strategies included the use of a multi-disciplinary team and participatory approach, the compilation of country information, in-country consultations, and the drafting of the joint strategy through a consultative process before it was presented to national decision-makers for endorsement. Work on this joint Kiribati-SPC country strategy was making good progress with the visit of a multi-sectoral team to Kiribati in June 2006. This had helped establish broad understanding of the process, and identified potential areas of SPC services to the government. SPC and Kiribati had also jointly determined the next steps in the process. The Acting Deputy Secretary for Foreign Affairs and Immigration of Kiribati, Mr Tom Murdoch, expressed his government's appreciation for this mission and said they looked forward to incorporating the recommendations of this process into the national plan. In conclusion, the HRD Manager noted that this was a work in progress and stressed the benefits of this approach for members, SPC and other stakeholders and development partners. She noted that the Kiribati experience has drawn attention to coordination issues and to the need to build capacity to work in a more cross-sectoral way in both government and SPC. The Secretariat will report on further progress at the 2007 CRGA.

182. The representative of New Zealand asked which forums or frameworks had been drawn on to provide the selection criteria that identified high priority countries for regional assistance. She noted that the Secretariat could have prioritised countries that for example, were not likely to meet the MDGs. She cautioned the Secretariat about using as a criterion that the country be simultaneously undergoing a country strategy development process with other development partners, and noted that synchronized field missions often created a complex and unwieldy process.

183. The representative of Samoa enquired about the timeframe for implementing country strategies, noting that the new national development strategy for Kiribati was to be in place in 2008 and that it might be a while before the Secretariat could carry out the same exercise in other countries.

184. The representative of the Marshall Islands stressed that a number of member PICTs needed to develop country profiles. He asked if SPC would follow the same avenue as that taken for the Kiribati country strategy in developing these profiles and expressed concern at the time this would require.

185. The HDP Manager replied that the team had tried to obtain as much information as possible before going to Kiribati, had met with development partners active in the country and continued to consult with all parties. In terms of the timeframe, the Secretariat was aware of the difficulty and continued to liaise closely with the government of Kiribati on the best possible timeframe to implement the strategy.

186. The Director-General indicated that SPC was continuing to refine these criteria and to address the issue of high priority countries. With respect to a practical timeframe for the development of country strategies, the Secretariat was trying to be practical and to work with the government of Kiribati to facilitate integration in the national development plan. Country profiles would not be developed along the same lines as the country strategies as the Secretariat had different processes to develop profiles in parallel.

CRGA decision

187. CRGA:

- i) noted the progress to date in the Secretariat's efforts to implement one of the key recommendations from the corporate review aimed at improving services to member countries through the development of joint country strategies, in this case with the Government of the Republic of Kiribati;
- ii) noted the process agreed with the Government of Kiribati for the next steps in finalising the joint Kiribati-SPC country strategy;
- iii) further noted the intention of the Secretariat to work with and take into account the work of other development partners and CROP agencies in Kiribati in the next steps of developing the country strategy for Kiribati; and
- iv) thanked the Government of Kiribati and all other national stakeholders, including development partners in Kiribati, for their contribution to and support for the initiative.

AGENDA ITEM 4.1.3 – A CASE STUDY – REVITALISING THE NATIONAL STATISTICAL SERVICES IN SOLOMON ISLANDS

188. The SPC Statistical and Demography Programme (SDP) Manager Graeme Brown introduced this case study and outlined the technical assistance and capacity building carried out by the programme in partnership with the Solomon Islands government and development partners, which had revitalized National Statistical Service (NSS) in Solomon Islands over a 20-month period. He stressed that PICTs needed quality information to enable informed decision making, and that SDP assisted all member PICTs with their statistical activities, but that fundamental change was a country responsibility. This project had enabled the SDP to make a direct

contribution to re-establishing a significant, but depleted, statistical office in the region. The project was carried out by physically locating an officer (Statistical Adviser William Lahari) within the Solomon Islands statistics office to work with staff in the office. SPC was proud of the support it had been able to provide to the SI Statistics Office. Now that the project was completed, SPC would continue to support the office. Over the next few years, major data collection activities are planned for the Solomon Islands and the SDP looks forward to supporting these activities. However, the leadership of the NSS needs to drive future statistical activities and further improvements in the performance of the office

189. Mr Lahari pointed out the decline of the Solomon Islands NSS and lack of core economic, population and social statistical outputs since the 1990s. This had been made worse during the ethnic tensions, which resulted in the almost complete collapse of the service. In 2004, the Regional Assistance Mission to Solomon Islands (RAMSI), the Pacific Financial Technical Assistance Centre (PFTAC) and the Secretariat of the Pacific Community (SPC) sent a mission to assess a recovery plan for the NSS. This led to AusAID/NZAID support for the Solomon Islands Statistics Development Project (SISDP). The purpose of the SISDP was to support the continued and sustained recovery of SISO operations by providing technical assistance, IT infrastructure, and undertaking a national household income and expenditure survey (HIES). Solomon Islands now has a new opportunity to undertake evidence-based policy formulation, planning and decision making. A number of core statistical outputs — none of which were produced for the last decade or so — have now been produced, disseminated and integrated into SISO's operations, or are in the process of being compiled. The single largest benefit of the project was capacity building of staff at SISO. These staff are now producing core statistics in a number of areas. The provision of resources such as transport and equipment (from HIES), along with information technology support, has contributed immensely to the achievement of these targeted outcomes.

190. Mr Luma Darcy, Permanent Secretary for Finance, Solomon Islands, shared his views on the benefits of the project for his country. People in Solomon Islands provinces now have a sense of ownership of the project and see the benefits of good governance and accountability. The government budget now has a proper frame with outputs and a reporting system. He indicated that the Solomon Islands government is committed to maintaining and sustaining those services so that they did not decline again. He welcomed SPC's ongoing support and technical assistance to build in-country capacity and to pursue further opportunities for this partnership through the Demographic Health Survey, Gender Based Violence Project and upcoming population census.

191. The representative of Solomon Islands thanked the presenters for this excellent overview of the project. He expressed gratitude to the governments of Australia and New Zealand and to SPC for their support in bringing life back to the Solomon Islands' Statistics Office. The government can now solve problems using real and accurate data, rather than data from 'binocular observers of their realities'. He said that this improvement is timely as the government would like to see greater bottom-up control of the economy.

192. The representative of Australia recognised the need for timely and accurate data for planning and development purposes. Australia was pleased with the developments and outcomes of this project and was willing to discuss with the Secretariat ongoing requirements for assistance.

193. The representative of New Zealand welcomed this report and the presentation. She expressed satisfaction at this very constructive collaboration between SPC and Solomon Islands and with development partners. She urged SPC to consider doing an independent review in one year to look at the sustainability of this project, assess lessons learnt, and see if further input from SPC was needed.

194. The representative of Vanuatu stressed that it was not easy for countries to collect and analyse data when they did not have adequate resources. He therefore fully appreciated the value of SPC's contribution and the support of development partners. He hoped that this positive relationship would continue and could be extended to other countries such as Vanuatu.

195. The representative of the Northern Mariana Islands saluted the monumental feat of mobilising resources to carry this project to fruition. He reiterated his earlier comments about disseminating success stories such as this and making them available on SPC's website. He said that this would go a long way to emphasising the lessons learnt from this project, and to convince people at the "taro roots" that the work of SPC is relevant and real.

196. The SDP manager embraced the suggestion of conducting a review of this project in about twelve months. He welcomed the comments on the usefulness of obtaining quality statistics, and agreed that there was value in disseminating success stories like this one and would pursue this idea.

CRGA decision

197. CRGA:

- i) noted the huge benefit to a member country (in this case, Solomon Islands) of SPC technical assistance that is supported by development partners to achieve agreed outcomes;
- ii) noted the achievements of the project in reviving a number of core statistical outputs and in building capacity of staff at the Solomon Islands Statistical Office;
- iii) requested the Secretariat to conduct a review of the project in 2007, to look at its sustainability and the lessons learned, and consider the need for further input by SPC;
- iv) acknowledged the commitment shown by the Solomon Islands government, and the particular efforts of the Solomon Islands Statistics Office, to making the project a success;
- v) commended the work of the SPC Statistics and Demography Programme and, in particular, of its Solomon Islands-based statistical adviser, Mr Willie Lahari, who will be leaving the regional service of the SPC to return to Papua New Guinea after this CRGA;
- vi) thanked the development partners for funding this project and the Solomon Islands Government for hosting it; and
- vii) further commended this approach as a good practice example of how to address a number of priorities of member countries and territories at national level.

AGENDA ITEM 4.1.4 – REACHING OUT TO RURAL AND REMOTE AREAS IN THE PACIFIC ISLANDS COUNTRIES AND TERRITORIES THROUGH THE DIGITAL STRATEGY

198. The Director-General briefly introduced Paper 4.1.4, on reaching out to rural and remote areas through the digital strategy. He noted that 80% of PICT populations live in rural areas, in which ICT access is poor or nonexistent, typically because the provision of ICT services through telecommunication providers was either too expensive or unfeasible due to geographic constraints. He noted that SPC was not seeking to compete with national or commercial IT providers, but to focus on areas where services were unavailable. He noted that ICT is a high priority for SPC, and that the ICT task force had tasked SPC with reaching out to rural areas. He noted that other organisations are also working in this area, citing USP's network among rural communities, and the cooperation between USP and the World Bank to establish a "Pacific Hub" at USP. He also shared several points made by PIFS relating to provision of ICT to rural communities, including the need (i) for regulators and operators to embrace appropriate technologies, (ii) to keep users informed, and (iii) to develop financing and human capacity.

199. A representative from OPT made a statement on behalf of the Pacific Islands Telecommunications Association (PITA). He noted that PITA is a non-profit association that works to improve telecommunication infrastructure and address regulatory and policy issues and emerging challenges, such as next-generation networks and voice-over-internet protocol. He noted the high costs of providing ICT in the region, and gave an overview of PITA's efforts to develop and maintain a minimum level of ICT in PICTs as part of preparedness for natural disaster responses. He noted PITA has also prepared a roadmap for access to IT services in the

region, and was coordinating its activities with Australia, France and the US, and was cooperating with New Zealand.

200. Steffen Holtz, the Director of Pacific IP Services, gave an overview of the work that his company does in the region. He noted some of the challenges of providing ICT access to remote communities in the region, which leads to a lack of interest by most commercial providers. He said that the Satellite AMC-23, which was launched to provide in-flight transpacific IP access for commercial airlines, also provides new opportunity for remote Pacific communities, as it provides high power coverage throughout the Pacific, with a signal that can be accessed using small and affordable antennas. He described the equipment that could be used to access the internet via the satellite, which he said cost only a few thousand dollars, had minimal power draw, and could be powered using a few solar panels. It was also simple for local technicians to install. He gave an overview of representative costs, and briefly described the potential ways the system could be used by remote communities. He noted the need for a bandwidth management hub, which would have to be sited in the US, and required an investment of at least several hundred thousand US dollars. He suggested that financial assistance be sought for this, and noted that the other components of the system were low in cost, and could be rolled out on a cost recovery basis. He noted that other options for the ground stations were available, but that the Boeing Connexions satellite was the only viable option.

201. SPC's GIS developer gave several practical examples (from Vanuatu, Cook Islands, Wallis and Futuna, and Kiribati) of the type of data that could be shared via the system, using the popGIS system.

202. The Director-General noted that Forum leaders had emphasised the digital strategy as an important component of the Pacific Plan, and said that implementation of an ICT strategy, and rural ICT linkages in particular, had been identified as an area for SPC involvement. He noted the need to look at both internet content and access. He said that the most important component in the system was the hub, and that SPC could seek support to establish a hub for such a system if its members supported such a move. He noted that SPC envisaged the system as a user-pays system, but said that some examples or pilot projects would need to be established, and that SPC would seek support from development partners to establish initial pilot sites in selected PICTs. He noted the Peoples First network was already active in Solomon Islands, using different technology, and that the network could potentially serve as a provider of the technology in Solomon Islands. He said SPC's role would be to try to mobilise resources and create interest in the system.

203. The representative of the United States inquired whether SPC intended to fund an ICT access project using the technology, or would be looking for assistance from development partners.

204. The representative of PNG thanked the presenters for the very informative and useful presentation. He noted that although many policy statements on rural ICT access had been issued, they had often not been translated into access on the ground. He inquired how the project would work with national telecommunication companies and regulators, which often enjoy a monopoly in PICTs, and asked if there had been consultations on the pilot projects?

205. The manager of SPC's IT Section said that consultations had been held with PNG, Solomon Islands, Kiribati, FSM and Vanuatu. He noted that SPC had an agreement in place with PITA, and was working on a very transparent basis with telecom operators. He noted that in PNG an experimental licence would be issued to a local authority to facilitate the pilot project. He noted that the government was eager to move forward with implementation, and said that SPC had done significant groundwork on the issue.

206. The representative of the US noted that a number of philanthropic organisations in the US might be able to assist with the project.

207. The Director-General said that discussions had been held regarding assistance from US foundations, and that the US State Department had earlier offered to assist SPC in making the appropriate contacts.

208. The representative of Solomon Islands expressed appreciation for the very thorough presentation, and noted that an MOU was in place between the Ministry of Provincial Governments and the People First network. He noted their success in providing ICT access to rural people. He said that rural people in the region would continue to face challenges in accessing ICT, and said it was incumbent on governments and regional organisations to choose the best of the available options. He said that Solomon Islands would continue to ensure that its rural people had access to information and were part of the continuing electronic revolution. He thanked SPC its role in establishing networks in the Solomon Islands, acknowledged the support of development partners, and moved to endorse the recommendations in the paper.

209. The representative of CNMI seconded the suggestion that SPC look into tapping support from private foundations, as mentioned by the US. He encouraged using the best technology available.

210. The representative of Kiribati commended the presenters and noted the need to reach out to rural communities. She congratulated SPC for the priority it was giving to the regional ICT strategy, and expressed appreciation for the fact that SPC was undertaking its ICT efforts on a partnership basis with telecom authorities. She noted Kiribati's appreciation that it had been chosen for a pilot project. She sought clarification on the next steps.

211. The representative of Australia asked whether a range of technologies had been explored in developing the system.

212. The representative of Cook Islands said his country was excited about the potential of the system, and its potential in the areas of education, good governance and economic development. He fully supported SPC's efforts in this area, and endorsed the paper's recommendations.

213. The Director-General noted the support voiced by various members, and indicated that discussions to date in Solomon Islands, PNG and Kiribati had largely been with providers and regulators in an effort to ensure that operators would allow the use of this type of technology to facilitate access in rural communities. He said SPC was preparing a report on the outcome of the discussions to date. He noted that the Secretariat was fact finding at present, and seeking to develop an affordable solution to rural community ICT needs.

CRGA decision

214. CRGA:

- i) noted the high priority SPC gives to the successful implementation of the Digital Strategy with an emphasis on reaching out to rural and remote communities;
- ii) noted the partnership approach, especially with local operators, regulators, telecommunications companies and key national stakeholders, to enhance real opportunities to reach out to rural and remote areas in Pacific Island countries and territories;
- iii) noted the need to have a dedicated Pacific hub to ensure the Pacific VSAT network is regulated and coordinated for greater efficiency and effectiveness;
- iv) noted SPC's current efforts to establish some operational pilot projects in a number of countries and territories, including PNG, Solomon Islands and Kiribati, as soon as possible; and
- v) commended Pacific IP Services of New Caledonia, who have been proactive in assisting SPC and PIFS to demonstrate/present VSAT technology, and acknowledged the partnership-related efforts of PITA aimed at improving telecommunications infrastructure in the region.

AGENDA ITEM 4.2 – STRATEGIC ENGAGEMENT AT THE INTERNATIONAL AND REGIONAL LEVEL TO HELP POSITION SPC MEMBERS TO RESPOND EFFECTIVELY

AGENDA ITEM 4.2.1 – A CASE STUDY – TRANSLATING INTERNATIONAL REQUIREMENTS TO REGIONAL AND NATIONAL STANDARDS, NATIONAL CAPACITY BUILDING AND ECONOMIC GROWTH – A GOOD PRACTICE EXAMPLE FROM THE REGIONAL MARITIME PROGRAMME

215. The Manager of the Regional Maritime Programme provided an overview of the programme's work in translating international requirements into regional and national standards, national capacity building and economic growth. He noted that shipping is global in nature and is heavily regulated. The playing field is far from level, requiring compliance to international regulations regardless of whether a country's maritime staff numbers one or 10,000. He noted briefly some of the primary IMO conventions, and observed that the pace of change in the maritime area was rapid: STCW-95 (relating to seafarer training and certification) was phased in over seven years, while the ISPS code (relating to ship and port security) was introduced in only 18 months. He noted that the Pacific, except for Nauru, had met the challenges posed by the new international regulations. He also noted a number of areas in which RMP was assisting PICTs not only to meet requirements but also to set very high standards, even when measured in global terms. He described the programme's strategic engagement at the international level, through an MOU with the IMO, which enables RMP to attend IMO sessions as an observer, to provide advice to SPC members during IMO sessions, and to enter into joint activities with IMO. RMP has also engaged strategically with a number of regional partners, and has worked with other countries to develop seafaring opportunities for Pacific Island seafarers. He noted the regional audit regime that has been developed in the Pacific to ensure PICTs meet IMO requirements regarding crew training, which he noted were the first of their kind in the world. He also described the support provided to regional maritime networks (e.g. PIMLA and PacWIMA), and to the Association of Pacific Ports. He noted the development of innovative self-help mechanisms (involving attachments, mentoring opportunities, pooling of skills, peer networks, and sharing of information), and how a new information management system (funded by New Zealand) was enabling RMP to serve as a one-stop-shop for all data on the Pacific maritime sector. He said that compliance maintenance and monitoring was an ongoing priority, and that attention was being given to the issue of seafarer IDs, regional certification of seafarer qualifications and shipping management advice for SIS to assist them manage inter-island shipping services.

216. The representative from PNG thanked the manager of the RMP for his enlightening presentation and noted that political will was important in this age of global terrorism. In relation to maritime training, he said that in discussions with the principal of the PNG Maritime College, mention was made of the possibility of raising training standards and capacity on compliance issues by linking with schools in places like Singapore. He acknowledged AusAID support for the college. He noted there were 16 people with training in maritime law in the region and that many of them were in PNG. He also noted the difficulties for PICTs of ensuring adequate representation at the IMO. Most countries could not afford a representative in London and he was pleased with the RMP's assistance in providing updates on issues, and activities relating to IMO and other maritime organisations in this regard. There were difficulties in recruiting and retaining the skills needed in this sector.

217. The representative from Tuvalu acknowledged the informative presentation and said the maritime sector played a critical role in PICTs, e.g. seafarers' remittances accounted for 20% of Tuvalu's GDP. For many families this was their only source of income. The work of the RMP was essential and needed to be supported, e.g. maintaining 'white list' status was imperative, and Tuvalu looked forward to continuing help from RMP in this regard. In relation to shipping and ports, Tuvalu needed help in remaining compliant with the ISPS code. This was very costly as it involved organisational structure and management systems and policy, often requiring the employment of experts. It also involved infrastructure upgrades, which required substantial financial resources. After long and difficult negotiations, Tuvalu has finally begun upgrading its marine training institution with support from ADB, and major port reconstruction will hopefully begin soon with Japanese assistance. Tuvalu hosted an RMP audit mission recently and is now working on actioning the audit

recommendations. He said the scope of his comments highlighted the complex issues involved in the sector. He acknowledged the emphasis now being placed on improving shipping services to SIS. In the last 12–15 years since the withdrawal of the Pacific Forum Line feeder service, SIS have struggled to obtain reliable shipping services and he looked forward to working with the RMP to address this issue.

218. The representative from Kiribati commended the presentation and said she supported the comments of Tuvalu. Kiribati also has many seafarers, and their families are dependent on their remittances for income. Kiribati would appreciate the development of niche employment opportunities for seafarers. She noted that her government was committed to addressing the alcohol related problems of seafarers. She expressed her country's gratitude for the work of the RMP, noting that Kiribati had attained 'white list' status, but needed continuing support to maintain this status. It was also important to comply with the ISPS code, which Kiribati could not do without assistance from SPC and donors. She welcomed the initiative by SPC to work closely with PIFS to address the shipping challenges that especially affect SIS and also welcomed the close collaboration between SPC and PIFS. Finally, she acknowledged the continuing support of development partners and hoped that they would continue to support this important programme.

219. The representative of United States commended SPC for its successful efforts to assist PICTs in meeting international requirements, noting that although he understood that there were some small allowances and flexibility in IMO requirements for PICTs, this in no way diminished SPC's accomplishments. He noted that the US Coast Guard (USCG) is interested in engaging directly with more countries in the region, and had recently worked with SPC. He encouraged members to consider how they might be able to work more with the USCG, including in areas such as maritime security, search and rescue, and fisheries enforcement.

220. The representative of Tonga expressed appreciation for the excellent presentation, and noted that the annex to Paper 4.2.1 listed 49 international maritime conventions, which provided a clear indication that this is a very heavily regulated sector. She noted that IMO was implementing a flag state code, which she said would soon be made mandatory, and highlighted the need to prepare for its implementation. She also raised the issue of negotiating with IMO regarding establishment of a regional office in the Pacific, which is now served out of a regional office in Manila.

221. The representative of French Polynesia thanked the manager for his excellent presentation, and inquired about the level of RMP activities in the Pacific territories. He also inquired whether it was appropriate for RMP to become involved in advising PICTs on management of commercial services, as might occur if they advise SIS on shipping issues, noting that problems had occurred with respect to this issue within the region in the past.

222. The representative of Cook Islands noted that his country's maritime administration consisted of just one officer, and said for that reason Cook Islands greatly valued the assistance provided by RMP, which he said would continue to be sought, given the large number of regulations affecting the sector. He also extended his country's thanks to the development partners that had made it possible for RMP to assist Cook Islands and other PICTs. He said he was heartened to note that the Cook Island maritime sector was meeting high standards and had even been able to assist other PICTs, despite its small size. He closed by noting that Cook Islands would welcome assistance from RMP in finding a solution to the problem of providing regular shipping services to the northern Cook Islands.

223. The representative of the United States noted that the RMP should be cautious when providing advice to Pacific Community member delegations attending IMO meetings as there may be times when Pacific Community member countries have differing views on issues before the IMO. He said the Secretariat should stop short of making policy prescriptions.

224. The representative of the Marshall Islands suggested that SPC work together with PIFS in assessing transport-related needs, and noted the potential value of transferring the transport-related services now provided by PIFS to SPC. He asked that SPC provide a report on the issue CRGA in 2007.

225. The representative of Samoa noted the constraints the region faced in meeting international requirements, and suggested it would be useful to have a recommendation for additional funding from development partners and other donors for maritime sector issues. He noted that SIS faced very significant problems if international requirements were not met, and could affect Pacific countries and overseas ports.

226. The RMP manager noted that the issue of providing support to IMO missions in London had been discussed, and was achieved in part by providing sector updates to PICT High Commissioners based in London. He acknowledged Tuvalu's comment regarding infrastructure, and said that while New Zealand and Australia provided very significant assistance to the programme, support for infrastructure, equipment and facilities might best be pursued by countries on a bilateral basis. He noted that the programme would investigate the reasons for the cessation of the feeder service, and would report back. He noted that RMP was pleased with their engagement with the USCG, and that meetings would be held later in the year to discuss other areas of cooperation, such as search and rescue. He noted that RMP was working to implement flag state audits in the region, and said that IMO has stated that they preferred to work through SPC in the region, rather than establish a separate regional office. He indicated that RMP does engage with the French territories, which he said were full members of PACMA and had been involved in search and rescue training. He indicated that with respect to SIS shipping services, RMP was looking to provide advice to members in situations where governments, rather than the private sector, operate ships. He said that it was also important to look to the Pacific Forum Line, which is owned by the region. He noted that it might be possible to improve services, perhaps with a reduction in profits.

227. The Director-General noted that good discussions had been held in August with the USCG regarding search and rescue. He noted that maritime legal reviews do not involve the territories, but other aspects of RMP's programs do. The intention initially was to close the programme in 1999, but global events such as terrorist threats, new international requirements, and employment needs made the programme more important than ever. In response to comments from PNG and the Marshall Islands, he noted that following the decision during the 2006 Forum to refocus the work of PIFS on policy issues, PIFS and SPC had begun discussions regarding transport and communication issues now covered by PIFS' technical programmes.

CRGA decision

228. CRGA:

- i) noted the success of Pacific island countries in complying with the requirements of the STCW-95 Convention and the ISPS Code, and the need for each PICT to sustain its individual compliance;
- ii) noted the need for each PICT to accord higher political support to the national maritime sector;
- iii) noted the new priority areas the RMP will be including in its work programme, including specific assistance to SIS to assist them in improving existing shipping services;
- iv) directed the Secretariat to report to CRGA 37 in 2007 on the outcome of discussions with PIFS regarding transport-related services;
- v) commended the work of the Regional Maritime Programme, which has been undertaken in partnership with PICTs, and which demonstrates another good practice example of how international requirements can be translated into regional and national frameworks that are achievable; and
- vi) thanked SPC's development partners for funding the programme, and tasked the Secretariat with seeking additional funding for the programme from development partners and other sources.

AGENDA ITEM 4.2.2 – RESPONDING TO THE HEALTH CHALLENGES IN THE REGION

➤ A MORE HOLISTIC AND STRATEGIC APPROACH

229. The Director-General presented the paper on progress in implementing decisions on the Pacific Health Fund (PHF) made by the Fourth Conference of the Pacific Community and Forum leaders in 2005. He said that after analysing the concept of the PHF further, it became evident that it needed to be linked to a higher-level health strategy. To address the need for a more holistic approach, SPC and its partners are developing an overarching health strategy for the Pacific region that will provide a framework linking various, separate regional health strategies and programmes. In endorsing the concept of the PHF, Conference and the Forum leaders recognised (a) the importance of a holistic approach to financing health priorities in the region; (b) the increasing difficulty of securing resources from global initiatives such as the Global Fund, (c) the need to rationalise and streamline development partner assistance flowing into the health sector in the Pacific region; and (d) the importance of having a health financing facility specific to the health priorities of the Pacific region. The overarching strategy will encourage pooling of resources and expertise in the health sector and will address factors that impact on the physical, social, mental (and spiritual) health of people, recognising the need to take stock of all challenges to health, many of which may be outside the health sector. SPC is now working with PIFS, NZAID and WHO to develop a concept paper on a 'Health Strategy for the Pacific Islands region' and will take the lead in developing a concept paper on regional health funding. Both papers will be presented to the March 2007 meeting of Pacific Ministers of Health. (The full paper is available from the Secretariat on request.)

230. The representative of Australia noted her country's interest in being part of the working group on the health strategy, and asked for clarification regarding the deliberations on regional health funding.

231. The representative of France noted that the approach being taken by SPC was unique. He observed that health funds were proliferating, and most took a vertical approach and targeted a single disease or health area, while SPC was examining a non-specific funding mechanism for all health issues of concern to the region. He noted France's support for the unique approach of first developing a broad strategy and establishing a non-specific funding mechanism. He inquired whether the Secretariat anticipated that this approach would enable the organisation to attract additional types of funding, noting that sustainable health funding was essential, and that the establishment of a general funding mechanism would not change the fact that countries must be the first funders of their health needs. He closed by commending SPC for the approach being taken.

232. The Director-General indicated that Australia would be welcome as a member of the working group. Regarding funding mechanisms, he indicated that it was not certain whether the approach being taken would result in additional funding, but said that it would result in agreed prioritisation of funding gaps, enabling better targeting of funding, and making it possible to better link service provision and HRD needs, and providing a more holistic picture of the health situation in the region. He noted that the EU had indicated that various funding options for the region's health needs could be explored, including a specific financing facility, and said that the working group was also looking at options for receiving funding under the Global Fund. He noted that other non-traditional funding mechanisms were also being explored.

233. The WHO representative noted that the regional health strategy would definitely be developed, and that it would subsequently become clearer how the region's health needs could best be financed, whether through a health fund or some other means. She noted that bilateral funding mechanisms would continue, and that WHO considered action at the country level was of critical importance.

CRGA decision

234. CRGA:

- i) discussed and endorsed the Secretariat's proposal to develop an overarching health strategy for the region;

- ii) endorsed the Secretariat's proposal to develop the regional health strategy prior to exploring funding mechanisms, including development of the Pacific Health Fund concept;
- iii) noted the Secretariat's intention to present concept papers for the Health Strategy and Pacific health funding mechanisms to the Pacific Ministers of Health meeting in Vanuatu in March 2007 for their deliberation, guidance and endorsement; and
- iv) further noted that following endorsement by the Ministers of Health, both papers will be further developed for presentation to the Forum leaders' meeting and the SPC Conference in 2007 for their consideration.

➤ DEVELOPMENT OF A REGIONAL CODE OF PRACTICE FOR RECRUITMENT OF HEALTH WORKERS IN THE PACIFIC REGION

235. Dr Juliet Fleischl of the World Health Organization (WHO) presented this paper updating CRGA on efforts by SPC and WHO to develop a 'Pacific Code of Practice' for recruitment of health workers in the region. The code will provide a mechanism to facilitate recruitment of health workers within a framework based on 'mutuality of benefits' for all involved, given shortages of health workers in PICTs. Recruitment of health workers by countries both within and beyond the region have had a negative impact on the health systems of many island countries in the Pacific, e.g. a WHO migration study found that in most Pacific Island countries, between 5 and 15% of doctors and nurses had migrated between 2000 and 2004. A draft code has been developed in consultation with stakeholders including government ministries, professional associations, health training institutions, regional NGOs and development partners. The code covers the status, guiding principles, rights and responsibilities of the parties involved, implementation, monitoring and evaluation. It will be accompanied by a compendium document containing additional guidance, explanations and definitions and may also include an 'operational guide' giving examples of implementation instruments and checklists to facilitate its implementation at national levels. The draft code and compendium document will be presented to the Pacific Ministers of Health meeting in Vanuatu in March 2007 for their consideration. It will then be presented for endorsement by Forum leaders and the SPC Conference later in 2007. (The full paper is available from the Secretariat on request.)

CRGA decision

236. CRGA:

- i) commended Pacific Ministers of Health for their decision to seek solutions to the health worker migration challenge facing PICTs through the development of a Pacific Code of Practice;
- ii) commended WHO for its commitment to both leading and providing resources to develop the code;
- iii) noted the role played by SPC in the actual development of the code in partnership with WHO and other stakeholders;
- iv) noted that a draft Code of Practice will be submitted to the Pacific Health Ministers meeting in Vanuatu in March 2007 for their deliberation and approval; and
- v) welcomed the intention to present the finalised version of the code to the Forum leaders meeting and the SPC Conference.

AGENDA ITEM 4.2.3 – SPC'S ENGAGEMENT ON THE PACIFIC PLAN AND THE REGIONAL INSTITUTIONAL FRAMEWORK

237. The Deputy Director-General, Richard Mann, noted the previous papers and briefings (in 2004 and 2005) that had been made on the Pacific Plan and the Regional Institutional Framework (RIF), and the coordination that had taken place on these issues with the staff of the Pacific Islands Forum Secretariat. He noted the importance of keeping the Pacific Community — particularly non-Forum members — informed on regional initiatives of this kind. He noted that generally good progress had been made with those initiatives that SPC had

been entrusted with, many of which predated the Pacific Plan. He raised four concerns regarding the Pacific Plan, in the spirit of constructive engagement with PIFS and for discussion by the Pacific Community. One related to the very concept of the Pacific Plan, and whether it was a statement of regional priorities, or as had been initially envisaged, was a short list of initiatives where closer regional cooperation would be beneficial. He noted that if it was a regional blueprint, SPC clearly saw the risk that other priorities might not receive adequate support. He also noted the importance of ensuring that non-Forum members participate fully in priority setting exercises, and the need to ensure that the systems and approaches currently used to assess and determine Plan priorities were sufficiently robust and thorough. He also noted the need to ensure that new Pacific Plan mechanisms did not duplicate or replace the existing priority setting and reporting mechanisms, in particular in those sectors that SPC covers, which could lead to conflict between the sectoral priorities determined by CRGA and Conference, and those set by another body.

238. Makurita Baaro, a member of the RIF review team, introduced the RIF report. She expressed her thanks to the Director-General for his invitation to present the outcomes of the review, to all the senior officials present who had taken time to speak to members of the review team, and to those who had responded to the questionnaires that were sent to all PICTs and stakeholders. She emphasised that the report should be read in conjunction with the Hughes report that was presented in October 2005. She noted the extensive consultations that were held across the region (including over 100 meetings). These included all SPC members, various stakeholders, and development partners. She noted that these consultations were in keeping with calls from the Forum leaders for stronger and closer relations with the Pacific territories. She said that despite the diversity and number of stakeholders consulted, several common themes emerged:

- A stocktake of the regional architecture is welcomed, and should be conducted in the light of consolidation, with a view to a major overhaul, rather than making minor adjustments.
- Stakeholders highlighted the value and importance of regional organisations, but noted the need for more effective coordination among regional bodies, better collaboration and cooperation, and more clarity on who does what. Concerns were expressed regarding duplication. She noted a strong expression of support for a “one stop shop”, and said the existing situation was confusing to both members and development partners, with programmes shifting from one organisation to another because of funding shifts. Members were concerned about “turf wars,” and said that these were derailing the major mandate of regional organisations. Stakeholders indicated the belief that quality could be enhanced by removing these bottlenecks.
- There is an apparent disconnect between regional and national programmes. Those interviewed issued a strong reminder that there is a corresponding and perhaps more urgent need to strengthen national capacity for the same purposes. There is a need to remember that regional organisations are simply a means to an end, and not an end in themselves. Members noted that strong regional mechanisms in the absence of national capacity would be counterproductive, and said that regional programmes should feed into and support national priorities. She said that this was a very strongly held view that was frequently expressed.
- She noted a preference for a stronger focus on programme delivery as opposed to policy advice.
- She noted that governance issues had been raised frequently, and that the consensus was that a single regional organisation was impractical, and that it was important to preserve equality of member status. After receiving this input, the team developed an option not considered by the Hughes report: that of a three-pillared institutional framework, in which a largely unchanged Forum (and PIFS) would represent one pillar. The second pillar would consist of the other major technical agencies gathered into a single regional organisation under the governance of the Pacific Community, while existing academic and training institutions would make up the third pillar.
- She noted that this could lead to better planning and coordination while keeping intact the separation between political and non-political functions. She indicated that the report had been tabled before the FOC and Forum leaders, and welcomed the opportunity to present the report and recommendations to CRGA.

239. The Director-General presented the remainder of Paper 4.2.3 that addressed the RIF. He noted that SPC was very interested in hearing reactions, especially from non-Forum members. He said that the 2006 Forum decision had agreed to establish a task force that would work through the issues identified in the RIF review and report back to the 2007 meeting. The Forum noted that the timeframe should be left open, and agreed to progress the recommendations relating to PIFS (i.e. focusing on its key policy role). He noted that there was a general acceptance of Pillar 3, and agreement on moving forward on Pillar 1. The recommendations for the task force focus on Pillar 2. He observed the importance of the prospective TORs, the composition of the task force, and the reporting and governance mechanisms. He suggested there were two critical issues if CRGA intended to follow the Forum's lead. They were determining the task force TORs and the scope of work, and its composition. He asked CRGA for clear guidelines for moving forward on the issue.

240. The PIFS Pacific Plan Executive Officer noted that PIFS had been tasked by Forum leaders with developing the RIF task force, and suggested it include representatives from all PICTs and CROP organisations. It was also suggested that a manager be appointed who would supervise the review and undertake analysis, and consult further with stakeholders. It was expected that the task force would review all alternatives and then make recommendations to the Forum and all CROP governing bodies. She said it was envisaged that the work would take six months, and would utilise experts as needed. A final report would be produced by the end of July for distribution to governing councils and leaders. She said PIFS was seeking feedback on the suggested approach, and the TORs. She noted that the task force would be as inclusive as possible, and would be the decision-making body with respect to the RIF review. She noted that the deadline for receiving comments on the TORs was 24 November 2006, but that this could be extended to allow all Pacific Community members sufficient time to submit comments.

241. The representative of the United States noted that unlike many PICTs, the United States is a member of the only two regional organisations proposed for consolidation, which raised particular concerns regarding membership issues and its financial contribution to a new organisation. He also stated that while the review team believed amalgamation to be the best solution, such a move raised a host of legal, financial and administrative concerns. He noted that full information regarding the benefits of the proposal were lacking, and suggested that there might be other ways to realise benefits without the problems associated with consolidation. He also noted that the paper was written on the assumption that amalgamation was the only option, and that the United States was open to different ideas, but was not prepared to accept this proposal at this time.

242. The representative of France noted that they had been invited to discuss the RIF after the Forum, and were consulted by the RIF Review Team, as were the French territories. He noted that the issues were raised at the Forum meeting in Nadi. France asked to be part of two working groups: one on implementation of the Pacific Plan, and one on the RIF, which he said showed France's commitment to the development of the RIF. He noted that the composition of the task force was very important, and said that it was vital that all members of SPC and regional organisations participate. He added that there was merit in the approach and that clarification was necessary, but that it might be difficult to come to a position within such a short timeframe.

243. The representative of French Polynesia thanked the RIF review team member for her presentation, and repeated their position, stated previously to the FOC. He thanked the Forum for involving the territories in the reflection process on the RIF. He stressed that French Polynesia's position was that any changes in the regional architecture should be in response to the aspirations of Pacific Island people, and all countries and territories should be on an equal footing within the proposed merged organisation.

244. The representative of New Caledonia noted the importance of inclusive regionalism in developing the RIF. He stressed the need for all states and territories to participate in the process of developing any new RIF. He acknowledged the recommendation made by the Forum leaders, which sought to progress the integration and regional institutional framework issue. He noted New Caledonia's willingness to take part in the process, but stressed the need to take into account the issues raised by the US and France. He also stressed the need for the

reflection process to be as open as possible, to give meaning to the concept of inclusive regionalism and substance to the work on the future regional institutional framework.

245. The representative of Samoa stated that his government's views and concerns on the RIF were well known and he only wanted to speak on the process following the Forum's decision on the RIF. He supported the task force and the inclusion of all members, including the US and France, in the task force. He also supported an extension of the deadline for comments on the TOR.

246. The representative of Wallis and Futuna echoed the comments of French Polynesia and New Caledonia, the US and France. She noted that Wallis and Futuna expected any new regional architecture to involve all parties.

247. The representative of Tuvalu noted that the bottom line for many members was whether they would receive better and improved service delivery. He noted that the review team concluded that this would occur, but some issues remained to be resolved, and concurred with the US on issues that still needed to be resolved. He noted that membership of the task force needed to be inclusive.

248. The representative of CNMI appreciated rare opportunity to address such important issues. He stated that it would be prudent to move cautiously, that change could be unsettling but that islanders were resilient. The challenge was to arrive at a regional institution that was efficient, seamless and inclusive. He endorsed the concerns expressed by the US. He hoped the region could collectively develop a final architecture that was both workable and served member needs.

CRGA decision

249. CRGA:

- i) noted the Secretariat's paper on its engagement with the Pacific Plan and the Regional Institutional Framework (RIF) initiative;
- ii) noted that CRGA has not yet adopted a position on the eventual outcome of the RIF initiative;
- iii) received the paper titled "Development of a Pacific Regional Institutional Framework Stage Two Taskforce Terms of Reference Draft 10 November 2006" tabled by the Pacific Islands Forum Secretariat through the Secretariat (SPC);
- iv) welcomed the establishment of the taskforce to further study the RIF proposals;
- v) fully supported the recommendation that the task force should consist of representatives of all Forum members, France, the United States of America, Pacific territories and relevant regional organisations; and
- vi) regarding the proposed terms of reference, requested that the TORs include an in-depth analysis of:
- vii) the full range of legal, organisational, administrative, governance, membership and financial implications of the RIF proposals; and
- viii) the extent and character of measurable benefits of the RIF proposals, particularly regarding improved service delivery and also regarding efficiencies and potential cost savings.

250. CRGA members further agreed to send any further comments on the TORs directly to the Pacific Plan Office of PIFS, as individual country or territory contributions.

AGENDA ITEM 4.2.4 – WORKING TOWARDS BETTER COORDINATION OF TVET IN THE PACIFIC – SPC'S ENGAGEMENT IN TVET

251. Deputy Director General Falani Aukuso presented this paper, which provided CRGA with an update on SPC's engagement in the area of technical and vocational education and training (TVET) in the Pacific region.

He noted that SPC has two distinct roles in TVET: firstly, it is a direct provider of TVET across all its technical programmes, and secondly it hosts the Pacific Association of Technical and Vocational Education and Training (PATVET), and is thus helping to develop a mechanism for better coordination of TVET in the region. The latter includes the establishment of (i) a comprehensive inventory of all TVET institutions in all PICTs; (ii) a regional qualifications register; and in the long term (iii) a regional qualifications framework. The aim of these activities is to enable standardisation of courses and course accreditation between institutions. Once established, the qualifications framework would be linked directly to Australian and New Zealand standards. The proposal of the Australian technical institute represents fast-tracking of the issue of a qualifications framework for selected trade areas in some institutions in the region. SPC is involved only in the TVET institutions inventory. Work on the regional qualifications register and qualifications framework is being led by the South Pacific Board for Education Assessment (SPBEA), which is working with PATVET, SPC, the Pacific Island Forum Secretariat (PIFS) and other partners. With SPC assistance, PATVET has developed a draft inventory of registered TVET providers in 15 PICTs, with plans to cover the full region within a year. The inventory provides information on the training available in PICTs. When completed, it will help achieve greater recognition for the sector and its contribution to human resources development. TVET is especially important in larger Melanesian countries, where many children do not receive a primary education, while most do not make it past junior secondary school. A recent PATVET strategic planning meeting (i) developed a clearer vision of its role in TVET in the region; (ii) a five year strategic plan, (iii) and an updated constitution. Next year SPC will fine-tune an interactive database of all its HRD activities. This database will also enable PATVET to record all TVET training in the Pacific region. (The full paper is available from the Secretariat on request.)

252. Dr Helen Tavola, from the Forum Secretariat, provided its perspective on TVET in the region. She noted the benefits for PATVET of being hosted by SPC and acknowledged the contribution of the Australian Youth Ambassador to the development of the inventory. She said that the inventory was a first step towards a qualifications register and in the long term, a qualifications framework. A framework was extremely difficult to develop across PICTs so a register was appropriate at this stage. AusAID would fund the first phase of developing the register, which was also a huge task. The Forum Secretariat was working with PATVET and also with ADB on an in-depth analysis of the cost of TVET and how well current training met employers' needs. This project was being carried out in 13 countries. To date, studies by a team of consultants had been completed for six countries and the report would be ready by mid-2007.

253. The representative from Solomon Islands said a national policy for TVET 2005–2006 was approved by Cabinet in March 2005 and a scoping study supported by the EU had been carried out in his country in 2006, so there was already progress on this issue. He called for a pragmatic approach to standardization of qualifications and asked how the proposed Australian technical college would strike a balance between the priorities of PICTs and those of Australia and New Zealand. He noted that TVET in Solomon Islands is tailored to national priorities and relevant to opportunities for rural youth. He cautioned that this undertaking could lead to an 'osmosis of priorities' from PICT priorities to metropolitan ones. He said Solomon Islands would like to take part in discussions on scoping issues and stressed that ordinary people must be the focus of TVET services to ensure that they meet the needs of villages as opposed to urban areas.

254. The representative from Australia thanked SPC for its work on the inventory and its support for PATVET. Australia is supporting the development of the register and hopes that the Australian technical college will help in developing a framework. She said that the college would be a genuine Pacific institute, but noted the concerns of Solomon Islands and would take them back to Australia.

255. SPC's Youth Adviser said that there were differences in qualifications gained by youth in Francophone and Anglophone countries, with some qualifications not being recognized. He asked the Secretariat to consider working on developing mechanisms to recognize qualifications between countries and said that as the French territories were observers at the Forum, it would be best to address the problem now, rather than at a later stage.

256. The representative from PNG thanked the presenters and said he concurred with the points raised by Solomon Islands. He said agreement between countries on mutual recognition of qualifications was important and this occurred within APEC. He asked if qualifications were recognised by Australia and New Zealand, would they then be recognised by other countries, such as Singapore, that had agreements on qualifications with these two countries.

257. The representative from the Northern Mariana Islands noted that US-affiliated territories were not included in the current TVET inventory and asked if the information had been requested. He said the University of Hawai'i had considerable TVET resources that the region could perhaps tap into.

258. The representative from French Polynesia noted the comments of the Youth Adviser, which he had also planned to raise. He said that his country would like to be included in the TVET inventory and that some of its institutions could be of interest to other PICTs. He assumed that the register would include the French territories.

259. The representative of New Caledonia expressed the wish that the inventory of the technical and vocational education and training institutions should include the training prospects available in the territories. He said New Caledonia was working on recognition of foreign qualifications and this year had recognized over 70 Australian degrees among others. The government was open to recognizing qualifications from other PICTs. Training was a priority for the territory and last year it had used all the funds received from the 9th EDF for this purpose. He added that the government wanted to maintain high-quality training and invited the SPC not to overlook the training available in New Caledonia when developing a regional strategy in this area.

260. The representative from Wallis and Futuna congratulated the presenters on the clear presentation and said she was pleased to hear that French territories would be included in the inventory. Wallis and Futuna planned an official visit to Fiji to seek collaboration with USP. At present young people from Wallis and Futuna went to France, New Caledonia, or French Polynesia for training and they would like to find opportunities 'next door'. She said Wallis and Futuna would like to be involved in moves to recognize foreign qualifications.

261. The representative from Samoa referred to the current TVET inventory and asked how Tonga had gained Australian recognition of its training programmes.

262. Dr Tavola said she did not have the answer to the question above. She said the Forum Secretariat was aware that Solomon Islands had a very good TVET programme and that the ADB study had been carried out in close consultation with the manager of the EU project. In relation to the Australian technical college, she said the Forum had always stressed that the needs of PICTs should be a priority. She noted the request for the inclusion of the territories in the inventory and entry to the register, but said at this stage it was limited to Forum island countries as it was an initiative of Forum education ministers. She said the register would provide pathways between qualifications, e.g. a holder could move on to study for a higher qualification in another country. It would also help raise the standard of the TVET sector.

263. The Deputy Director-General said the information for the inventory came from the countries themselves and territories could be included. He asked representatives to assist in providing the information.

264. The Director-General said Conference had requested the Secretariat to work towards developing an inventory of all TVET institutions in all member countries and territories in 2001, so territories were not excluded. The delay was due to difficulties in obtaining the information and insufficient resources. At the education ministers meeting in Samoa in 2005, SPC was asked to host PATVET. The Australian Youth Ambassador had provided assistance in this regard. In reference to the Australian technical college, he stressed the need to look at the bigger picture, i.e. the 90% of PICT populations who do not achieve higher levels of education. He said the digital strategy was designed to provide new opportunities for rural areas and said there was a need to ask how we can help children who drop out at primary level contribute to economic development. SPC recognized the efforts being made by PICTs and asked representatives' assistance in compiling information

for the inventory at the national level. When it was developed, the register would provide a linking mechanism that would, for example, facilitate cross-crediting of qualifications.

265. The representative from the US asked why clause (c) of the recommendations mentioned the urgency of obtaining stakeholder support and said this could surely apply to all such requests.

266. The Director-General said that there were often difficulties in obtaining support for these fundamental areas, even though they underpin development.

CRGA decision

267. CRGA:

- i) noted the work accomplished to date in the development of a draft inventory of TVET in the Pacific Islands region by PATVET and SPC;
- ii) encouraged development partners to support PATVET and SPC to complete the work on the TVET inventory for the region;
- iii) requested that development partners and other stakeholders support the work being led by SPBEA in partnership with PATVET, SPC and PIFS to fast-track the establishment of a regional qualifications register and eventually a regional qualifications framework; and
- iv) asked CRGA members to assist in collecting information from their own countries and territories for the TVET inventory, given the difficulty of collecting up-to-date and comprehensive information for each country and territory.

AGENDA ITEM 4.2.5 – ESTABLISHMENT OF THE PACIFIC REGIONAL AGRICULTURE AND FORESTRY POLICY NETWORK

268. SPC's Land Use and Resources Policy Adviser, Mr Inoke Ratukalou, presented the Pacific Agricultural and Forestry Policy Network (PAFPNet), an LRD initiative supported by the Technical Centre for Agricultural and Rural Cooperation (CTA), which will provide operational funding of up to 400,000 euros over a three-year period. Governments and administrations of PICTs need to strategically engage in the marketplace to offset the vulnerability of their economies and environment to global influences. PAFPNNet aims to facilitate communication, information dissemination, capacity building and awareness among and between PICT agriculture sectors to support the identification, formulation, implementation, monitoring and evaluation of agricultural and forestry policies, and to guide PICTs in their future agriculture and forestry development.

269. A workshop called *Agricultural Policy Networking: The Way Forward*, held in Uganda in November 2000, recommended that CTA support the establishment of agriculture policy networks in the six ACP regions. A first Pacific network meeting was held in Tonga in 2004. In February 2006 a core group (SPC, SPREP, FSPI, NARI, CTA, SOPAC, PIFS and USP) attended a meeting in the Netherlands to explore the potential for establishing the Pacific Regional Agricultural and Forestry Policy Network. The meeting developed a road map that recommended the establishment of PAFPNNet to develop a much more focused and sustainable agriculture and forestry sector in the region. Regional stakeholders validated the core group meeting report at a workshop held in Fiji in August 2006. It was also endorsed by the Heads of Agriculture and Forestry (HOAFS) Meeting in Fiji in September 2006. Membership of PAFPNNet includes government agencies, national leaders, women's and youth groups, agribusiness communities, the private sector, educational institutions, country-based organisations, church groups, NGOs, regional organisations, farmer organisations, research organisations, other networks, international organisations, lending institutions, and media. Membership is voluntary and flexible.

270. LRD's Animal Health Information Assistant, Ms Anju Mangal, presented and demonstrated the PAFPNNet website and brochure.

271. The Deputy Director of SPREP, Mr Vitolio Lui, presented a statement on behalf of the Director of CTA, Mr Hansjörg Neun, who had been unable to attend due to prior commitments. The Director of CTA indicated that the launch of the Pacific Agricultural and Forestry Policy Network was the peak of the outcome of close collaboration between CTA, SPC and other national and regional organisations. SPC has been unanimously designated to coordinate the preparatory activities and host the nascent network. This meeting appears to be the most appropriate venue for the official birth of the network. In keeping with its mandate and within the confines of its resources, CTA is prepared to continue to cooperate with SPC and provide its support to PAFPNet.

272. The representative from Tuvalu wondered if the existing capacity and infrastructure of countries, particularly with respect to Internet communication and skilled staff, would be sufficient once the network was operational, or if LRD was planning to provide development assistance to build up in-country capacities.

273. The representative from Solomon Islands welcomed the fact that the network would be solidly anchored in communities and that it included one of the research institutions from PNG. In that respect, he noted that PNG, New Caledonia and French Polynesia had some of the finest research institutions in the region, and he hoped they would be included in the network. He also acknowledged the expertise of other institutions, such as the University of Canterbury in New Zealand, from which Solomon Islands has benefited in relation to its biosafety commitments. He endorsed the establishment of PAFPNet as a valuable opportunity for networking and pooling of resources in the region.

274. The representative from the Marshall Islands stressed the benefits of PAFPNet to SPC and the region. He inquired whether the atoll centre of excellence would become part of PAFPNet.

275. The representative from French Polynesia enquired about the status of CTA. He understood that CTA was an ACP-EU partner organisation aimed at funding development activities in ACP countries. He therefore wondered how the French territories could benefit from PAFPNet if the funding was for ACP.

276. The representative from Samoa asked whether the allocated funds were for the establishment of PAFPNet or if they could be used to contribute to the development of the network within countries. He also asked about the longer-term funding of PAFPNet, i.e. after the three years currently funded.

277. The representative from CNMI asked about the size of the grant applied for from CTA and the timeline for implementation within countries and territories.

278. The representative from Tuvalu stressed the importance of a scoping assessment of in-country capacity to support and maintain the network to ensure upgrading of in-country facilities if necessary.

279. The Land Use and Resources Policy Adviser replied that LRD will assess the capacity of countries to contribute to the network and will assist them as necessary. Plans are in hand to contribute to three communities/Internet cafes for the three sub-regions and to expand assistance from there. The network is still in its infancy and all research institutes are welcome to join; as PAFPNet grows, it will attract more members. SPC is part of the atoll centres of excellence and they will be part of PAFPNet. The project proposal has been submitted to CTA and discussions on the timeline will soon take place within the core group. This will be worked out once the final budgetary figure is known from CTA.

280. The LRD Director explained that the new integration of the Division enabled better pooling of resources. Although CTA funding was for ACP countries, LRD would be able to pool resources to ensure that the French territories and the American-affiliated territories benefited from PAFPNet. On the question of long-term funding, he said that CTA had given assurance that funding would not cease after the first four years of the project but would continue past the establishment phase. Currently, funding for the initial phase was being used to get the project going.

281. The Director-General acknowledged the contribution of CTA to this work and the collaborative relationship that CTA has with SPC/LRD, particularly in the areas of general capacity development, support for institutionalising participatory agricultural and forestry extension, and support for the promotion of science and technology in the region. He jointly launched PAFPNet with the Chairperson of CRGA 36.

CRGA decision

282. CRGA:

- i) endorsed the Pacific Agricultural and Forestry Policy Network (PAFPNet);
- ii) expressed the region's appreciation to CTA for this important evolution in the area of agriculture and forestry and for providing funding support of 400,000 euros over a three-year period;
- iii) noted that the Secretariat would conduct a scoping exercise to assess the capacity of countries in regard to infrastructure and known resources; and
- iv) welcomed the launch of PAFPNet by the Director-General and Chairperson of CRGA 36.

AGENDA ITEM 4.3 – STRATEGIC POSITIONING OF THE ORGANISATION – TO ENABLE IT TO ACHIEVE AGENDA 4 (A) AND (B)

AGENDA ITEM 4.3.1 – NEW CORPORATE PLAN

283. Deputy Director-General, Richard Mann, introduced the draft of the new SPC Corporate Plan. The Corporate Plan includes general policy statements, such as SPC's vision, mission and corporate values, as well as broad directions and key initiatives. He said that the structure and approach of this draft new plan follows that of the current plan, but the proposed plan period is six years instead of four. The draft plan focuses on three corporate objectives: increased focus on member priorities; strategic engagement at national, regional and international levels; and strategic positioning of the organisation. The first objective addresses country strategies, decentralisation, complementarity of national and regional programmes, and policy reports and briefing papers. The second objective focuses on monitoring and analysis, strategic alliances, effective partnerships and engagement at the regional level, increased advocacy and representation in international relations, translating international requirements for members where relevant, and translating partner priorities into developmental opportunities. The last objective of strategic positioning places emphasis on progressive organisational reform, increased staff involvement and engagement, the establishment of a multi-sectoral team of advisers, better marketing of SPC, and seeking new funding opportunities. One of the strengths of the draft plan is that it addresses a number of cross-sectoral commitments such as human resource development, international and regional goals and initiatives, economic growth, security and good governance, policy dialogue and initiatives, multi-sectoral collaboration, and provision of communication technology to rural communities through appropriate ICT. The Deputy Director-General stated that this draft plan was being presented to the membership for endorsement in principle. The Secretariat would integrate any comments and directions by CRGA into a final draft that would then be circulated to members for further feedback before the plan was finalised. (The draft corporate plan is available from the Secretariat on request.)

284. The Representative of the Cook Islands said he had no difficulty in endorsing the plan in principle. He requested that the plan not be finalised until a final decision is reached on the recommendations on the Public Health Programme (PHP), as the proposed change of the PHP to a division would have an impact on the plan.

285. The Representative of Niue also had no difficulty in endorsing the plan in principle, but asked if the Secretariat proposed to take into account the overall perspective of the Pacific Plan.

286. The Representative of Tuvalu said that the plan was comprehensive and that he had no difficulty with its objectives and content. He referred to previous discussions on SIS, and said that as the Secretariat's focus on SIS

was a major new initiative, it should be reflected in the new corporate plan under the first objective of increased focus on member priorities.

287. The Representative of New Zealand said she had no problem in supporting the new draft plan. She noted that there was no mention of the RIF review in it and said that it should be included because of its impact on the organisation. The plan also needed to feature monitoring and evaluation to indicate how the Secretariat measured the impact of its activities. She pointed out that the new draft plan was very ambitious and urged the Secretariat to consolidate rather than spread itself too thin.

288. The Representative of the US thanked the Deputy Director-General and his team for the efforts that went into preparing this comprehensive document. He echoed the concerns expressed by the Representative from New Zealand. He stated that when new initiatives were mentioned in the plan, the availability of resources should be noted. The Secretariat also needed to realise that it could not provide policy advice to all the countries, as different countries would hold different views. It was acceptable for SPC to provide technical advice but it should avoid policy prescription. He emphasised that certain actions mentioned in the plan would need clearance by members, particularly as some required further discussion before endorsement.

289. The Representative of PNG commended the efforts of the Deputy Director-General and his team in producing this draft document. He added, for the sake of clarification, that when he referred earlier to support for member organisations attending IMO, he was referring to the provision of updates by the Maritime Programme and not to the provision of policy advice.

290. The Representative of France congratulated the Secretariat on the breadth of the document. He supported the comments made by other delegations, making special reference to the need to take into account the RIF. He said the provision of sectoral policy advice should avoid slipping towards too broad an approach. He also asked for clarification of some of the wording in the French version of the document.

291. The representative of New Caledonia offered his congratulations regarding the document. Regarding the corporate vision and core values expressed in the plan, he noted that the French version indicated that SPC is at the service of Pacific Island members. He said that in his understanding the Secretariat was at the service of all members, and not just the island states and territories. He noted the importance of ensuring that the very inclusive and collaborative nature of the organisation was reflected in the document.

292. The representative of French Polynesia noted his approval of the intent to raise the profile of the organisation, to increase its recognition in the region. He noted that some members had observed that there could be risks of overstepping the bounds of a technical organisation to take a more political stance, and he stressed that the Secretariat should ensure that this did not occur. He noted that the draft plan referred extensively to strategic communication and strategic positioning, and noted his understanding that these referred to communication with members and positioning in relation to other organisations, respectively. He observed that it was perhaps more important to first focus on the services that SPC provides to its members. He said that it would be useful to specify that SPC's mission is to help PICTs overcome obstacles to their development. He agreed with the need to overcome and effectively respond to challenges, but said it would be useful to specify which challenges were being targeted. He noted that other members had discussed the need to refer to the Pacific Plan, but noted that references to the Pacific Plan might best be made in association with references to other regional plans and strategies. He noted a reference in the draft plan to SPC's intent to develop its relationships with members and other 'clients', and asked for clarification of the nature of these clients (e.g. were they commercial clients). He noted the need for SPC to serve its members first and foremost, and said relationships with other clients should be clearly stated. He also said that there would be additional responses forthcoming from his government.

293. The Deputy Director-General noted the comments made by the members, and said that the Secretariat would look carefully at the suggestions. He noted that policy and briefing papers would be targeted in the first

instance at members, but would also be made available to other interested parties, including development partners, so that a regional discussion could ensue. He stressed that SPC in no way intended to become a political organisation, but would review the draft plan's language to ensure that position was clear. He spoke about the third corporate objective, regarding service delivery, and noted that the language on strategic positioning was referring to internal positioning of the organisation. He noted that references to the Pacific Plan and other policies would be reviewed, and welcomed input from the membership on the organisation's mission statement, the wording of which had previously been approved by members. He also noted comments that there was no reference to SIS.

294. The Director-General noted that the Saipan Conference had said that issues relating to SPC's organisational structure had been delegated to the Director-General, with the proviso that any changes be cost neutral. He indicated that the Secretariat would strive to make as much progress as possible in refining SPC's structure on that basis, and that CRGA would be consulted prior to implementation of any changes that required additional resources. He also noted that the Secretariat would ensure that revisions to the draft Corporate Plan were coordinated with any organisational changes that were adopted or recommended by the Secretariat as a result of its review of the final PHP review report. He acknowledged the ambitious nature of the draft plan, saying that the Secretariat felt it was important to present an ambitious approach, given the importance to the membership of the challenges that SPC was addressing, but welcomed the reality check from several representatives. He indicated that the members' various contributions would help the Secretariat refine its focus and insure that critical issues were included. He noted that SPC was not seeking to expand its work into other policy areas, and indicated that some of its policy work (for example, the agricultural policy network) involved no recruitment, but rather collaboration that tapped into expertise from across the region. He noted that RMP was accessing policy expertise through associations such as PacMA, PacWIMA and PIMLA. He observed that the review of the PHP had noted that the region was currently lacking expertise in certain very specific areas of the health sector, and had suggested that this might be an appropriate area for additional work by SPC, in conjunction with others in the region. He said that the next draft of the plan would address these issues with greater clarity. He thanked members for their thoughts on the draft plan, looked forward to receiving additional comments, and asked members if they could endorse the draft in principle, pending modifications. They would have the opportunity to provide further feedback and to approve the revised Corporate Plan at a later date.

295. The representative of the US noted that his country would be prepared to endorse in principle the overall thrust and direction of the plan, but that actual endorsement was reserved, as some proposals that had been discussed by CRGA (e.g. establishment of an SIS unit) would potentially have financial implications. He encouraged the Secretariat to keep such issues in mind when revising the draft plan.

296. The representative of CNMI noted the comments by Cook Islands regarding the implications of the external review of PHP. He observed that the draft plan proposed that PHP would stay within SRD, while the PHP review team had proposed establishing a separate Health Division. He noted the need to consider such issues when revising the plan.

297. The representative of Samoa noted he had not had an opportunity to review the draft plan in detail, and would send the Secretariat formal comments after the meeting. He noted the comments by French Polynesia with respect to the Pacific Plan, and inquired whether there were other programmes of SPC that were not captured in the Pacific Plan that should be taken into account. He observed that the corporate objectives for 2007 were more akin to strategies, and said he would welcome clear identification of the key issues and sectors that would be addressed in the plan period (e.g. specific issues in health, fisheries, etc.). He said that SPC's national-level focus should also be highlighted.

298. The representative of Tuvalu noted that there had been a clear expression of support from CRGA on the initiative already taken by management to designate a member of the executive as a focal point for SIS, which reflected a shift or broadening in the Secretariat's direction and focus. He said that the question of establishing a specific unit was one that would be best considered over the next year or two, and added that mention of such a

unit was not necessarily needed in the plan, but that the plan should address SPC's direction in terms of its enhanced focus on SIS.

299. The representative of Cook Islands said he fully supported the comments made by Tuvalu.

300. The representative of Australia expressed her congratulations on the draft plan, and noted that her country would forward additional comments to the Secretariat after the meeting. She reiterated her view that the core role of SPC was the provision of technical advice and analysis to inform policy development. She noted that the final Corporate Plan might in fact need additional references to the Pacific Plan, because of the number of Pacific Plan initiatives that SPC had been tasked with, and which were significant in terms of SPC's workload. She noted that the issue of the impact of the Pacific Plan on SPC's work programme was especially relevant for non-Forum members, given that the Pacific Plan and related initiatives were under the direction of the Forum leaders.

301. The Director-General said that some countries lacked the capacity to develop policy. Some countries had only one person handling a range of policy issues; their options involved hiring a consultant, or receiving advice from a regional organisation. He assured members that SPC would be careful about giving policy advice. He also noted the importance of international work done by SPC with such organisations as the IMO, Global Fund, etc. He said that SPC assisted the region in working at the international level with such organisations, much as is done by SPREP with respect to environmental issues.

302. The Deputy Director-General said that a limited policy-related role for SPC had been endorsed by CRGA some four years ago, and suggested that some of the issues being discussed could be clarified by using more specific language in the plan. He said that SPC is asked very frequently about policy options, and noted the difference between providing members with various policy options, and their impacts (which SPC does), and with providing policy prescriptions (which SPC does not do).

303. The representative of Australia noted this distinction and the fact that SPC provides policy options and information, but not policy advice.

304. The representative of the United States noted that while it is valuable for SPC to represent the region in some respects, doing so in international forums involved representing all members at the table. He noted the need to be very careful in advising countries on how they should act or vote.

305. The representative of Samoa said that the provision of technical advice enabled development of policy positions and decisions.

306. This view was supported by the representative of PNG.

CRGA decision

307. CRGA agreed in principle to endorse the draft Corporate Plan with the proviso that the final document would take their comments into account and would be circulated in December 2006 for further comment and approval by February 2007.

AGENDA ITEM 4.3.2 – ALIGNING THE ORGANISATION'S PUBLIC HEALTH PROGRAMME TO BETTER ADDRESS HEALTH PRIORITIES OF THE REGION

308. The SPC Public Health Manager, Dr Thierry Jubeau, stressed that in recent years SPC's Public Health Programme (PHP) had significantly expanded its activities and responsibilities. It was therefore critical and logical to undertake a review of the programme, to assess its strengths, weaknesses, failures and achievements,

to ensure that its activities are relevant to the emerging needs of countries and in line with the priorities of members. Similarly, a review of the Pacific Regional Strategy on HIV/AIDS was conducted, under the same principles of accountability and transparency. In parallel, a new non-communicable diseases (NCD) strategy for SPC was designed. These strategies will be further harmonised and improved under consultative processes, and incorporated in a revised PHP Strategic Plan for 2006–2009 and in the overarching health strategy for the region.

309. Dr Colin Tukuitonga presented the review of the SPC Public Health Programme after paying tribute to his team colleagues, Tony Lower and Debbie Sorensen. In an overview of the purpose, methodology and objectives of the review, he stated that the proposed priorities fall under three broad points: (1) areas/programmes for further development and additional funding (public health capacity building; NCD and risk factor surveillance, prevention and control; and environmental health), (2) areas/programmes for consolidation (HIV, AIDS and sexually transmitted infections (STI); the Pacific Regional Influenza Pandemic Preparedness Project (PRIPPP); emergency preparedness and response; TB-DOTS; and adolescent health development), and (3) areas/programmes for advocacy but where SPC should not develop activities (mental health; and maternal and child health). The review also recommended the implementation of a longer planning horizon supported by 2–3 year cycles; that the management structure be strengthened with PHP becoming a division within SPC; the acquisition of additional skills (e.g. trade policy, health economics, public health law); improved relationships with PICTs; better integration internally within SPC; and the mainstreaming of gender issues. (The full report and recommendations are available from the Secretariat on request.)

310. The representative from the United States asked for clarification of the link the reviewers made between trade policy and health. He also wondered whether SPC should be expanding its public health mandate to cover current gaps, asking if some of these might not fall under WHO's mandate.

311. The representative from Papua New Guinea stated that SPC has a major role to play in assisting PICTs to improve their systems to cope with health issues. He asked if the review team had looked at workplace policies for people living with AIDS. He agreed with the comments made by the presenter on the importance of environmental health and having good sanitation and clean water. He endorsed the advocacy role of SPC, noting that it was crucial in areas like HIV and AIDS.

312. The representative from Tuvalu indicated that lack of visibility and lack of leadership in the health sector were issues that many countries were struggling with. He welcomed SPC initiatives to continue to work on a strategic engagement with countries, as this would help elevate the visibility of public health. He agreed with the assessment of the issues faced by PICTs and with the recommendation that SPC should concentrate on capacity building. He noted that the current programme funding arrangements created difficulty for long-term implementation, and urged donors to consider longer funding cycles.

313. The representative from New Zealand asked for feedback and comments from the Secretariat on the review recommendations.

314. Dr Tukuitonga explained that trade policies impacted on health in as far as countries imported processed foods that were high in fat and sugar, and consumption of these increased the incidence of NCD. He reiterated that SPC is the best organisation to take leadership in public health in the region. He also emphasised that lack of clean water is the cause of many deaths in the region through diarrhoeal diseases, and that it is time to tackle this basic issue.

315. The Public Health Manager stated that the review recommendations were welcomed by SPC and that PHP was looking forward to incorporating them in its new strategic plan.

316. Mr David Fowler, team leader for the HIV/AIDS review, presented the findings of the mid-term review of the Pacific Regional Strategy on HIV/AIDS 2004–2008. The strategy was adopted at a meeting of Pacific Island Forum Leaders in 2004 and the implementation plan was developed in mid-2005; SPC has the lead

responsibility for coordinating implementation of the strategy and most SPC HIV staff were employed in 2006. The review team consisted of Mr Fowler, Sister Vika Tikinatabua and Bill O'Loughlin. The report covered achievements and weaknesses with respect to leadership and governance, access to quality services, regional coordination and programme management. To pave the way forward, the team recommended integration of capacity development into ongoing collaboration/support arrangements; a more focused approach to key sectors and cross-cutting issues in mainstreaming; more flexibility in interpretation of the concept of one national AIDS authority; mainstreaming gender into the strategic and programme response; and sufficient funding to ensure at least one NGO in each PICT has the capacity to implement high-quality prevention programmes.

317. The representative from New Zealand felt that it was premature for the Secretariat to seek endorsement of these reviews, as the issues were complex and the Secretariat had not yet provided a detailed response to the review reports.

318. The representative from Papua New Guinea echoed these comments. In relation to the point made in the strategy review report that national commissions should address resources, he pointed out that this was a development issue rather than a health issue, and that his government was taking that stand. He added that PNG's Parliamentary Chair on the HIV Committee had been to Uganda to consider how that country is addressing its HIV and AIDS situation. He stressed that mainstreaming youth and gender issues was very important for both PNG and the rest of the region, citing the example of women who die from cervical cancer.

319. The representative from French Polynesia regretted that the reviewers of the HIV/AIDS Regional Strategy had not provided any data on HIV and AIDS to show the evolution of the situation since the ministerial meeting in 2003, as such data could have assisted members to know whether or not they were on the right track. He stated that it might be difficult to adopt the recommendations at this stage and wondered if they might not be submitted for approval to the forthcoming meeting of health ministers to be held in Vanuatu in March 2007.

320. The representative from Samoa noted that a common theme in the reviews was the gap between regional strategies and the priorities of national governments. He welcomed the focus on what can be achieved realistically, instead of spreading resources thinly. He agreed that members need to know how they are faring in relation to HIV and AIDS and asked how many countries have completed their HIV/AIDS national plans. He stressed the importance of mobilising resources after 2008. He stated that CRGA needed detailed feedback from the Secretariat before it could endorse the recommendations, in view of the budget implications and the recommendations for new positions.

321. The representative from France echoed the concerns of previous speakers on the financial impact of the recommendations. He stressed that he could not adopt the recommendations without consultation with the relevant technical departments in his country. He inquired about the link between the new health fund and the strategy.

322. The representative of the USA thanked SPC for embarking on the reviews and welcomed SPC's proposal to operationalise the recommendations. He requested the Secretariat to ensure that its response to the review was detailed and comprehensive in addressing resource implications, trade-offs and other options.

323. The representative from CNMI welcomed the comments that SPC was the most appropriate body to deal with public health in the region, particularly because of its inclusive membership and its focus on SIS. He appreciated the review's emphasis on trade policies and the concerns about how to overcome the NCD challenges created by imported processed foods, and urged the Secretariat to work with companies to provide nutritional snacks. He reiterated the need to build up local capacity and the availability of information at the taro roots level.

324. The representative from WHO indicated that the Public Health Strategy will help clarify some of the areas of collaboration between WHO and SPC. She pointed out that one major difference between the two

organisations was that SPC depended on short-term programme funding and that specific activities could come to a stop when targeted funding ceased, whereas WHO was able to mobilise longer-term resources if its member governments directed it to do so.

325. Dr Tukuitonga explained that the health strategy was not incompatible with the current exercises as it was much broader. He acknowledged the resource implications of the review but said that the team had provided a framework, not a shopping list. With respect to the proposed restructuring of PHP into a division, he indicated that the proposed director's position was a replacement for the current manager's position. With respect to SIS, he noted that limited capacity can be distorted by money as one activity can take place to the detriment of another.

326. Mr Fowler thanked members for their feedback. He said that the team would clarify in its report where progress had been made in relation to national plans, and took the point that the current HIV and AIDS status of countries needed to be clear. He pointed out that surveillance requires adequate resources as testing is not a good source of information. He stressed the need for an operational approach to build up the level of routine surveillance. So far, data had been largely obtained from studies of specific groups. Levels of risk behaviour were still high in many countries. He noted that there was enormous interest in what was happening in PNG, as this country provided good examples of how to address HIV in a holistic manner, including such issues as rights protection.

327. The Director-General explained that the Secretariat had just received the review reports, would consider their recommendations carefully and would formulate and circulate to members the Secretariat's response to the recommendations. He added that the Secretariat was generally very supportive of some of the recommendations. He felt that the meeting of health ministers was not necessarily the right forum to adopt the recommendations as, unlike CRGA, it was not SPC's governing body but a health meeting. The aim was to inform health ministers rather than seek approval.

CRGA decision

328. CRGA:

- i) noted the Secretariat's efforts, through regular external assessments, to continually align the focus and relevance of its programmes to the prevailing and emerging needs and priorities of its members;
- ii) noted the recommendations of the PHP review and of the review of the Pacific Regional Strategy on HIV/AIDS;
- iii) noted that the Secretariat would circulate to members a detailed and formal response to the review recommendations;
- iv) noted the Secretariat's intention to develop a comprehensive strategy to promote a healthy Pacific lifestyle, with a focus on NCDs; and
- v) further noted that the Secretariat would bring the outcomes of the review of the PHP to the attention of health ministers.

AGENDA ITEM 4.3.3 – OFFICE AND STAFF ACCOMMODATION – NOUMEA / SUVA / POHNPEI AND OTHER LOCATIONS

329. The Director-General presented this paper to provide CRGA with an update of the current status of office and staff accommodation at SPC headquarters in Noumea, and in the regional offices in Suva and Pohnpei. Apart from these three official offices, SPC also currently has operational field offices in 14 other PICTs. In Noumea, office space is almost at full capacity, but staff accommodation is a more pressing problem. SPC owns 47 dwellings, and has access to 13 more from the territory administration. By the end of 2006, SPC will be renting 62 dwellings in Noumea's open market, where availability is low and costs high. In Suva,

shortage of office space is the problem. At CRGA 35 in Palau, Fiji said it would make more temporary office space available for SPC programmes, pending the building of the Pacific Village project. Staff accommodation is not a problem in Suva, though costs have risen. In Pohnpei, SPC occupies a temporary office provided by Pohnpei State. It is adequate for current operations, but planned staff increases will require a larger office as soon as possible and this may provide an opportunity to jointly address the issues of office space and staff accommodation. For field operations, the partner ministry/department provides office space within its own facilities; staff who are recruited locally normally look after their own housing, with their remuneration including a housing subsidy. SPC is committed to further decentralization of its services, but this will require discussion of host country responsibilities and a paper is planned for the next CRGA. The Director-General then invited the representatives from New Caledonia, Fiji, and FSM to update CRGA on their approach to the accommodation issues he had raised.

330. The representative of New Caledonia said SPC had informed his government of the serious staff accommodation problem in 2005. Consultations on this issue had therefore taken place with the Director-General and Deputy Director-General. He believed that it was part of the host country's responsibility to help find a solution. It had been agreed to continue with discussions so as to resolve the issue. He said that various solutions had been addressed: New Caledonia could make land available to build accommodation – perhaps at a site more remote from headquarters – or it could accept the burden of some of the rentals. He noted that the Nouméa real estate market was currently overpriced and hoped that, in conjunction with SPC and France, a solution could be found by the next session of CRGA. He added that the relevant authorities in Nouméa were keen to solve this problem and that they would contact SPC in early 2007 to resume discussions.

331. The representative from Fiji acknowledged SPC's shortage of office space in Suva. He said Fiji was still committed to the Pacific Village project and understood concerns about lack of progress. However, the past 10 years had been difficult for Fiji, with political insecurity impacting on budgets. The Fiji government was currently negotiating a loan for the project. He noted that the recent recommendations of the RIF were relevant to the issue. Meanwhile, the Fiji government will make temporary office space available for SPC in the Knolly St Plaza building.

332. The representative from FSM said that the concept of a mini Pacific Village for Pohnpei had been discussed. Congress would have to approve any project and the Pohnpei State government, which owns the land, would also be involved. There had been signals from the EU, UN, etc. that they were interested in the concept. FSM now needed stronger expressions of support before it could develop the concept further.

333. The representative from France said he would convey this message from FSM to EU agencies. The French government had been notified of the staff accommodation problems in Noumea. He said discussions would be held between the governments of France and New Caledonia, but any solution would be decided at a local level.

334. The Director-General thanked the representatives for their updates and noted that SPC would accept the temporary office space offered by Fiji. He thanked Fiji for making it available.

335. The representative from the US pointed out that clauses (vi) and (vii) of the recommendations had been covered in paper 4.1.1.

CRGA decision

336. CRGA:

- i) noted the various challenges relating to office accommodation and staff housing facing SPC in its three formal offices – Noumea, Suva and Pohnpei;

- ii) for Noumea headquarters:
 - a) commended the initiation of consultation between the Secretariat and the host government to find ways to address the serious staff accommodation issue, as well as to explore possible office space expansion areas, and
 - b) requested the Secretariat and the delegate from New Caledonia to provide an update to CRGA 37 on these subjects;
- iii) for the Suva regional office:
 - a) noted that the Government of Fiji has provided temporary office accommodation to house SPC programmes located outside of Nabua and CETC, as committed to during CRGA 35 in Palau last year, and
 - b) noted Fiji's update on progress on the planned construction of the Pacific Village project,
 - c) requested the Secretariat and the delegate from Fiji to provide an update to CRGA 37 on this subject;
- iv) for the Pohnpei regional office:
 - a) formally thanked the people and Government of FSM for making the dream for a Northern Pacific office of SPC a reality,
 - b) thanked the Pohnpei State Government for allowing the use of one of their buildings as a temporary home for the Pohnpei regional office,
 - c) commended the Government of FSM for commencing discussions with SPC on an interim larger office as well as longer-term office needs, not just for SPC but also for other partners wishing to have a physical presence in the Northern Pacific,
 - d) requested the Secretariat and the Government of FSM to provide an update to CRGA 37 on this subject;
- v) for the field offices in 14 other member PICTs: noted the current partnership arrangements governing this mode of decentralised provision of services to member PICTs;
- vi) also noted the Secretariat's intention to progress the decentralisation of services during the course of 2007; and
- vii) further noted the Secretariat's intention to produce a policy paper dealing with the subject of host country responsibilities for tabling and discussion at CRGA 37 in Apia next year.

AGENDA 5 – OBSERVER STATEMENTS

337. Observer statements were made by representatives of the Fiji School of Medicine, Forum Secretariat, Oceanic Customs Organisation, Pacific Regional Rights Resource Team (RRRT), Secretariat of the Pacific Regional Environment Programme (SPREP), Secretariat of the Pacific Applied Geoscience Commission (SOPAC), UNICEF, and the University of the South Pacific.

AGENDA 6 – ADMINISTRATIVE AND MANAGEMENT ISSUES

AGENDA ITEM 6.1 – AUDIT REPORTS

338. The Director of Corporate Services reviewed Paper 6.1, noting that the 2005 financial statements had received a clean audit opinion, which marked the ninth consecutive year that this was the case. He noted that the

report listed just one concern, relating to arrears in assessed contributions of 3–4 years duration. He said the auditors highlighted the need to actively pursue recovery of these arrears. He noted that the Secretariat had received payment of 6.5 million CFP units from members after the report had been prepared. He said that of the three countries in arrears mentioned in the report, one had paid in full, and two had pledged that they would make every effort to settle their arrears in the near future.

339. The representative of Cook Islands congratulated SPC for its continuing clean bill of financial health. He assured the Secretariat that his country would continue to ensure its membership contribution was paid on time, and endorsed the recommendations in Paper 6.1.

340. The representative of the United States commended SPC on its financial management, and welcomed the ongoing efforts to collect arrears, noting that the accounting method used with respect to arrears was correct. He asked if SPC had a payment plan mechanism for members in arrears.

341. The representative of Samoa noted that the total in assessed contributions owing to the Secretariat came to 1.9 million USD, and suggested that this should be collected prior to asking for an increase in assessed contributions from members.

342. The Director-General indicated that SPC did much behind the scenes work in communicating with members, and arranging payment plans and schedules. He said he was grateful for the members' responses, and said that the arrears should be cleared by the 2007 CRGA. He noted that he would continue to work with members on the issue, and thanked them for their commitments, made at the meeting, to clear their arrears.

343. The representative of French Polynesia inquired about the arrears status of Nauru.

344. The Director-General said Nauru had a special provision, agreed previously by CRGA, and that SPC was working very hard with Nauru on the issue.

345. The representative of Nauru noted that his country was faced with an economic crisis, and said that it very much valued the work of SPC, and was committed to fulfilling its obligations.

346. The representative of Solomon Islands registered his country's profound appreciation to SPC, especially during the years of national economic irregularities. He thanked the members for their understanding, and assured CRGA that the Solomon Islands had cleared its outstanding arrears, following a very fruitful dialogue with SPC and only the contribution for 2006 was yet to be paid. He said Solomon Islands was committed to making all of its contributions, and pledged economic allegiance to SPC and its mission.

CRGA decision

347. CRGA:

- i) considered and accepted the SPC and Provident Fund financial statements and auditors' reports, the management report on internal control-related accounting issues, and the Secretariat's response to the management report;
- ii) encouraged members that have outstanding arrears in their assessed contributions to settle all arrears as soon as possible over the next twelve months;
- iii) welcomed the clean bill of health given by the auditors to SPC.

AGENDA ITEM 6.2 – FINANCIAL YEAR 2006 –BUDGET REVISION

348. The Director General presented Paper 6.2, which describes the Core Budget revisions undertaken by SPC in July 2006, as provided for by SPC's Financial Regulations. After revision, SPC's overall 2006 FY Core

Budget increased to CFP units 8,881,214, compared to the originally budgeted amount of CFP units 8,855,214, for an overall increase of CFP units 26,000 (or .3% of the original amount). He noted increases stemming from an increase of CFP units 76,000 in management fees; exchange rate-related cost savings in professional staff salaries in Noumea amounting to CFP units 110,000, and exchange rate-related savings in the cost of Suva operations of CFP units 33,000; he also noted that a transfer of CFP units 50,000 was made to the Conference Reserve. He then noted specifically all budget revisions that exceeded 10% of the originally budgeted amounts. He closed by stating that the revised Core Budget was balanced, as required, and reflected revisions to the 2006 Core Budget that was approved at the 2006 CRGA and Conference in Palau.

349. The representative of Cook Islands thanked the Secretariat for the presentation, and recommended that CRGA note the paper.

350. The representative of United States encouraged SPC to refrain from mid-term budget revisions, except in exceptional circumstances.

CRGA decision

351. CRGA noted the report on the mid-year revision of the 2006 Core Budget.

AGENDA ITEM 6.3 – CROP REMUNERATION ISSUES – OUTCOME OF TRIENNIAL REVIEW OF CROP TERMS AND CONDITIONS OF SERVICE

352. Deputy Director-General Richard Mann introduced this paper on the outcome of the recent triennial review of remuneration arrangements for professional and support staff of participating CROP agencies. He said that the terms and conditions of service are a subject of harmonisation between CROP organisations and their governing body. In accordance with agreed policy, an independent triennial review of terms and conditions and a salary survey have been completed. A working group analysed the findings and prepared a paper for CROP Heads. The Secretariat's paper reflects the agreed outcomes of the CROP heads meeting on the issue. Under CROP harmonisation, governing councils of each agency need to consider and formally approve, as appropriate, any recommendations emanating either from triennial reviews or, subsequently, from the Heads of CROP agencies. The Deputy Director-General therefore invited CRGA to approve the recommendations that relate to SPC, including the proposed salary increase for professional staff as per the paper. Regarding support staff salaries, the Deputy Director-General noted that there are no plans to increase salaries in Suva and that there is a plan for a small adjustment in Noumea to follow the movements in the local public service. The Deputy Director-General pointed out that the cost of the proposed increases is fully funded and that the Secretariat is not seeking any increase in assessed contribution to fund salary increases.

353. The representative of PNG thanked the Deputy Director-General. He noted that the salary increases proposed by the Secretariat had been previously uniformly adopted by other CROP organisations.

354. The representative of Tuvalu noted that he had no problem with the recommendation by the Secretariat for a 6.6% salary increase for certain professional positions, based on the underlying principles and reasoning. He noted that the explanations given on the financing for the salary increase (that it could be funded through efficiencies and cost savings) lacked specificity, and that the requested salary increases also had to be viewed in the context of SPC's request for a 10% increase in members' assessed contributions (as detailed in Paper 6.4). He noted that the salary increases did have budget implications, if not in 2007 then in the future.

355. The representative of Samoa took note of the Deputy Director-General's comments regarding the difficulties faced in recruitment for some positions. He inquired if the problem in filling those positions was due solely to a lack of skilled people in the region, or was influenced by the fact that some applicants are discouraged from applying due to the low chances of being chosen for a position when competing with incumbents. He noted

that the issue of work permits for spouses could perhaps be taken up with New Caledonia, and agreed that a modification of the existing arrangement could be very helpful to some staff members. He made reference to the intervention by the representative of Tuvalu, and agreed that the total funding required for the salary increase was manageable, but said he would like to know specifically where the savings were coming from to allow the increase to be revenue neutral.

356. The representative of New Zealand noted SPC's intention to absorb the proposed salary increase, but said that also asking for an increase of CFP units 750,000 sounded like a budgetary balancing act. She said that New Zealand would also like to know more about the efficiency gains and cost reduction measures.

357. The representative of the United States asked how many US nationals were employed by CROP agencies. He noted that he could support the recommended increase if it could be done within existing resources. He also inquired whether the salary scale comparison contained within the paper was before or after tax. He noted the United States would have to disassociate itself from any consensus on the matter of Mercer Recommendation 6 (regarding housing and educational allowances), as a matter of principle, adding that the US position was that such benefits should only apply to expatriate staff. He noted that United Nations took a similar position.

358. The representative of the Marshall Islands asked when support staff had last had a rise, noting that they form the backbone of the organisation; he observed that professionals come and go, but support staff were often employed for many years.

359. The Deputy Director-General said that SPC had a policy of providing increases so as to ensure that SPC support staff salary levels matched those in the local markets. He said that his understanding was that SPC staff salaries were currently above those in the local market in Suva, and that they were almost level with those in Noumea, and thus required only a minor increase. He said that the issue of education and housing allowances was discussed by CRGA and Conference in 2005, when the present approach was agreed on. He said that the figures noted in the report were pre-tax. Regarding budgetary details, he said that many of the expected efficiency gains and savings were detailed in the 2007 budget document. He said a large proportion of the increase was self-funding, because of the weakening in the SDR, which resulted in local cost savings. He noted that SPC would discuss the issue of spousal employment with SPC's host countries.

360. The Director-General noted that Recommendation 10 of the Mercer report, concerning placement of the CROP Salary Line, was not currently being recommended by CROP heads to their members, but would be discussed by CROP heads in 2007.

CRGA decision

361. CRGA:

- i) noted the consensus reached by the Heads of CROP agencies in regard to the Mercer recommendations;
- ii) approved the consultants' recommendations 1, 2, 4, 6, 7 and 10, with the exception of the United States, which disassociated itself with respect to Mercer recommendation 6 (regarding the provision of housing and educational benefits to all staff);
- iii) approved the consensus reached by CROP Heads and SPC on recommendation 8 for a 6.6 per cent increase to grades J, K, L and M of the professional staff salary structure (to be achieved within existing resources);
- iv) noted the consultants' recommendations 3, 5, 9, 11, 12 and 13;
- v) noted the salary structure for support staff in Suva will not change while the salary structure for Noumea will be adjusted by 0.5 percent to keep pace with the local market in New Caledonia; and

- vi) noted that the cost for the above increases (449,300 CFP units for professional staff increases and 14,400 CFP units for support staff increases) is funded from efficiency savings and other cost reduction measures in the 2007 budget.

AGENDA ITEM 6.4 — REVISION OF THE ASSESSED CONTRIBUTION FORMULA

362. The Director-General presented this paper on the triennial review of the formula for members' assessed contribution for the period 2007–2009, noting that it needed to be considered in conjunction with Paper 7 on the 2007 budget. He noted that the 'assessed contribution formula' concerned the relative share of the assessed contribution that each country and territory contributed. It did not determine the total amount of assessed contributions, which were static from 2000 to 2005 at 7,646,933 XPF units and decreased in 2005 to 7,603,269 XPF units. The Director-General reminded representatives that in 2004, CRGA 34 set the global split at 89.9423 per cent for metropolitan members and 10.0577 per cent for island members following the withdrawal of the United Kingdom. He recalled that the current expenditure of member governments was adopted by CRGA 30 in 2000 as the primary basis for determining the percentage that individual island members would contribute towards their part of the global split percentage. Island members were placed in four clear categories according to their government's expenditure. Since there was no change in the four categories, he stressed that the current formula percentages for each island member would remain the same for the next triennium, unless there was a change in the global split between island and metropolitan members. In addition to their respective assessed contributions, a host grant equivalent to 1% of the total assessed contribution was met by New Caledonia and Fiji, based on the proportion of staff stationed in each host country. The proportion of staff stationed in Fiji and New Caledonia had changed since the last triennium, with New Caledonia now hosting approximately 63% of staff as opposed to 61% in the last triennium; as a result, a change in the proportion of the host grant contributed by New Caledonia and Fiji was being proposed. CRGA 36 needed to undertake the triennial review of members' assessed contributions and decide whether or not to retain the current formula and percentage allocation for each member for the next three-year period (2007–2009).

363. The representative of Tuvalu requested further information on the background of host country contributions and the possible impact of the opening of the new regional office in Pohnpei. He supported the status quo, but welcomed further analysis of the rationale for the current global split.

364. The representative of the Cook Islands said that the Cook Islands had scarce resources but was happy to stay with the status quo.

365. The representative of the Marshall Islands asked why some small island states were listed in category 4 (the largest contributors). There was a disparity between some islands being classed as SIS but being listed with "bigger" island countries.

366. The representative of New Caledonia was happy to retain the current formula. He also accepted the increase in New Caledonia's host grant contribution occasioned by the increase in the number of staff stationed in Noumea.

367. The representative of Papua New Guinea indicated that his country was endeavouring to pay its arrears and agreed to retain the current split, categories and percentages.

368. The representative of the Federated States of Micronesia registered support for the current arrangements. He also asked why small island states were listed in the category of highest island contributors.

369. The representative of Niue supported the current split.

370. The representative of Kiribati agreed to retain the current allocations.

371. The representative of Palau agreed to retain the status quo.
372. The representative of Tonga asked about the possible impact of Fiji's proposal to tax SPC staff on Fiji's host contribution, given that this income tax would benefit Fiji.
373. The representative of Fiji supported the current split. In reference to plans to tax Fiji nationals employed by SPC, he said this would mean that SPC was treated in the same way as all other regional and international organisations in Fiji. He acknowledged that it would create a budget challenge for SPC and said discussions were continuing between the Ministries for Foreign Affairs and Finance to look at ways of mitigating the change. The Secretariat would be kept informed of the outcome of the discussions.
374. The representative of Wallis and Futuna supported retaining the status quo.
375. The representative of French Polynesia was in favour of retaining the status quo.
376. The representative of Tokelau supported the current split.
377. The representative of Australia said that while Australia always supported increases in PICT contributions to SPC, it was not seeking any changes to the current split.
378. The representative of Samoa voiced support for the current split, and noted that some islands were accorded SIS status a long time ago. He stressed the need for the Secretariat to report on host country obligations at CRGA 37, given the establishment of the new office in FSM and the issue of taxation of Fiji nationals.
379. The Director-General noted some of the historical aspects of the global split. After the withdrawal of the UK, island members supported an increase in their contributions to increase their ownership of the organisation. He also noted that the host grant had been established to reflect the benefits of hosting SPC. He added that the question of host grants and host country responsibilities would be looked at during the next triennial review, but agreed to update CRGA 37 on the issue. He said SPC had talked to the Ministry of Foreign Affairs about the taxation of Fiji nationals employed by SPC and a meeting would be held soon. He hoped that the new requirement would not come into effect immediately but perhaps after a year, giving SPC time to discuss with Fiji how best to address the situation, instead of passing on the cost to the other members. The Director-General explained that some SIS were listed in the category of the highest island contributors, together with "bigger" island countries, because the four categories were based purely on government expenditure rather than on SIS status.

CRGA decision

380. CRGA:

- i) decided to retain the current "global" split of 10.0577 for the Island members and 89.9423 for the metropolitan members, as agreed by CRGA 34 in 2004;
- ii) noted that island members had agreed to retain the current percentage allocation of the members' assessed contributions to be met by each member for the 2007–2009 triennium, based on the current category breakdown:
 - **Category 1:** 0.8304 (each)
Fiji Islands, French Polynesia, New Caledonia, Papua New Guinea
 - **Category 2:** 0.3795 (each)
American Samoa, FSM, Guam, Northern Mariana Islands
 - **Category 3:** 0.3246 (each)
Cook Islands, Kiribati, Marshall Islands, Palau, Samoa, Solomon Islands, Tonga, Vanuatu
 - **Category 4:** 0.2646 (each)

Nauru, Niue, Pitcairn, Tokelau, Tuvalu, Wallis and Futuna

- **Special host grant met by New Caledonia and Fiji: 1.0337**
- iii) noted that New Caledonia and Fiji had agreed to the new split for host grants: New Caledonia: 0.6512% and Fiji 0.3825%, to make up the total of 1.0337%, based on current proportion of staff based in the host countries;
- iv) noted that metropolitan members had agreed to retain the current percentage share of assessed contributions: Australia (32.7368%), France (19.3806%), New Zealand (19.1794%) and United States (18.6455%) to make up their total share of 89.9423%;
- v) agreed that the formula for assessed contributions would continue to be assessed on a triennial basis;
- vi) noted that the Secretariat would provide an update to CRGA 2007 on the possible impact of:
 - a) the new Pohnpei Regional Office on host country contributions, and
 - b) the outcomes of its discussions with the Fiji Ministry of Foreign Affairs on how to cushion the impact of the decision by the Fiji Ministry of Finance to tax Fiji nationals at SPC for reasons of harmonisation with other international organisations based in Fiji.

This decision is superseded by the outcomes of the discussion on Agenda Item 7 relating to the adoption of the 2007 Budget and to the Secretariat's proposed increase of 10% of members' assessed contributions.

AGENDA ITEM 7 — THE FINANCIAL YEAR 2007

381. The Director-General presented Paper 7, a supplement to the 2007 Budget, which provides additional information, beyond that included in the paper, in support of the Secretariat's request for CRGA to consider a 10% increase in member assessed contributions. He observed that assessed contributions, as a percentage of total core income, have fallen by 50% since 1997, while at the same time, SPC has been asked by members (both individually and through formal governing body meetings) to expand the quantity and type of services it provides to members. He noted that the SPC corporate review conducted in 2005 had confirmed the usefulness of existing SPC work programmes, while encouraging increased decentralisation of services, and development of country-specific strategies. The majority (88%) of the increase in assessed contributions would be targeted at the latter initiatives and at the recommended merger of the HDP.

382. The representative of Cook Islands noted that at the 33rd CRGA, his country had agreed to a substantial increase of 20% in its contribution, due to the change in status of Cook Islands from Category 4 to Category 3. He stated that given SPC's excellent service to the Cook Islands, his country was confident the money was well spent, and did not hesitate to approve the increase. Since that time, Cook Islands has been very satisfied with the excellent services provided by SPC. He noted the importance of ensuring that SPC has adequate resources, and affirmed his country's support for the requested 10% increase. He said this was a small price to pay for the significant benefits gained from SPC's expanding programmes and activities, which he said would hopefully include seed money for the establishment of a dedicated SIS unit. He closed by noting that Cook Islands was one of SPC's smaller member states, with limited resources, but was committed to doing its part for the organisation.

383. The representative of Tuvalu thanked the Director-General for his presentation, and SPC's executive for the great work done in putting together the documents. He voiced his support for the remarks made by the representative of Cook Islands, and then referred to key underlying themes that had been discussed during the week. He spoke of CRGA's support for a new direction in terms of the strategic positioning of SPC to meet key challenges, and the initiatives that would be focused on over the coming year, as reflected by the discussion on the Corporate Plan and individual program strategies and activities. He said that the committee had provided a road map for SPC, but noted that resources are finite, and that there are competing demands on those resources. He spoke of the major structural change occurring in the region — both within countries and in the region, and noted the RIF review and ongoing reviews by individual CROP agencies. He suggested that this was an opportune time for SPC to reposition itself to take advantage of the opportunities being presented, and highlighted the need to take a strategic approach, and focus those areas where SPC has a comparative advantage.

He noted the results of the review of the PHP, which recommended that SPC health-related efforts be refocused and suggested similar external evaluations be carried out in other programme areas, such as fisheries. He said external reviews could bring fresh ideas and an outside perspective, while internal reviews might lose the bigger picture, and might be susceptible to conflicts of interest. He supported the view that SPC should provide technical advice, analysis and policy option delineation, but should refrain from policy prescriptions. He welcomed the increased focus on SIS, and suggested that a third option to an approval or disapproval of the 10% increase would be to stagger the adjustment over a few years, noting that whichever approach was used, SPC should work carefully to streamline its work programme.

384. The representative of New Caledonia noted that requests by territories for regional organisations and activities to be inclusive (and to include territories) carried with them a responsibility to those same organisations. He said that New Caledonia was of the opinion that if members wished to endorse the ambitious vision put forth by SPC then it would also have to provide the necessary means to carry it out. He voiced New Caledonia's support for the proposed 10% increase, and noted that in addition to its assessed contribution and financial responsibility as a host territory, New Caledonia would also be paying 12,000,000 CFP as a voluntary contribution, as it had done for 2006.

385. The representative of PNG said that the 10% increase had been well justified by the Director-General and eloquently supported by the representative of the Cook Islands. He said that when members demand services for new initiatives, they should also be willing to help pay for those services, and not rely strictly on the support coming from donor countries. He said that PNG supported the 10% increase, with the proviso that he would need to have final confirmation from his government. He noted the support that his country had received from SPC, which included the employment of a number of PNG nationals over the years.

386. The representative of the United States spoke first to the original budget that lacked the 10% increase, praising the work that SPC did, and the low level (7%) of administrative costs. He noted that his country disassociated itself from the approval regarding the increase in SPC's management fee, because of the process by which the decision had been made. He said that he appreciated the explanations that had been given by the executive regarding the rules that govern transfers from the general fund, but said that the US would disassociate from consensus on the funds transfer issue on procedural grounds. Regarding the requested 10% increase, he noted that as a matter of principle the US did not approve increases in core assessments for international organisations. He observed that the voluntary contributions being made by SPC members were very significant, but expressed a note of caution in implementing programmes using voluntary contributions, the continuation of which might require a later increase in core finding. He urged SPC to identify the financial requirements associated with proposals for new initiatives to avoid a situation in which members agreed in principle on an issue and were then later faced with the financial implications. He urged that both be presented together. He closed by disassociating from consensus on the proposed 10% increase.

387. The representative of the Federated States of Micronesia thanked the Director-General for his comments, and joined Cook Islands, Tuvalu and other members in supporting the requested increase. He also inquired as to the budgetary implications of the fact that the US would not be increasing its contribution by 10%, and asked whether the resulting budget would be balanced.

388. The representative of Samoa noted the potential for SPC to work with other organisations (e.g. PIFS) and utilise existing data in developing country strategies, observing that the strategy under development for Kiribati was in actuality a national sustainable development strategy. Regarding cost containment, he spoke in favour of decentralisation, but said that office growth should be managed very carefully. He closed by saying Samoa would support the 10% increase.

389. The representative of Kiribati approved the 10% increase, which she said was a small price to pay for the huge gains that KI received from SPC over the years. She said that Kiribati had no problems with the recommendations, especially in light of the fact that the increase would result in direct improvement in service to

PICTs. She noted her full support for the proposed direction and strategy proposed for SPC, saying that her country placed significant reliance on the support provided by SPC in many sectors.

390. The representative of Marshall Islands thanked the Director-General for his clear presentation. He said that budget discussions were a test of commitment to the organisation. He observed that there were some new issues that would need to be accounted for in the budget, and noted the focus on SIS, for which he said Marshall Islands was very grateful. He noted his country's appreciation for the work being done, which he said reflected the real needs of members. He acknowledged and welcomed the establishment of the regional office in Pohnpei, and voiced his country's support for the 10% increase.

391. The representative of Tonga said she would refer back to her country's national administration for a response on the requested 10% increase.

392. The representative of Vanuatu acknowledged the Secretariat's presentation, and pledged his support for the 10% increase, noting that SPC's programmes and activities assisted its member countries and territories.

393. The representative of Wallis and Futuna approved the 10% increase in recognition of the services provided by SPC.

394. The representative of CNMI expressed appreciation for the eloquent support given to SPC by its members, and said CNMI looked forward to seeing an expanded SPC presence in the northern Pacific. He welcomed the new SIS initiative and said he would invite other regional and international organisations to do work in CNMI, noting that the issues faced by PICTs transcended their political status. He confirmed that his government approved the proposed increase and was committed to clearing its arrears.

395. The representative of Niue thanked the Secretariat for its presentation, and expressed appreciation for the views of members. He said his government was passionate about Niue's moral and political commitment to the organisation, and that he offered Niue's support for the increased contribution in principle, subject to official confirmation.

396. The representative of French Polynesia voiced support for the recommended increase. He suggested defining precisely what SPC means by "SIS", as under the UN definition all PICTs would qualify. He also noted the need to be careful about the decentralisation of services. He noted French Polynesia's support for the Pohnpei office, but asked for clarification on the field offices that SPC now had in 14 countries.

397. The representative of Solomon Islands thanked the Director-General for presenting a balanced budget, and the organisation's development partners for their contributions. He said that Solomon Islands had benefited immensely from SPC's work, and had recognised, during the week's deliberations, the benefits that could flow from a regional approach. He said that Solomon Islands would endorse the 10% increase. He also looked forward to further dialogue with the Melanesian Spearhead Group countries with respect to the Youth Alliance of Melanesia, and youth and health issues. He said that Solomon Islands was committed to these issues, and endorsed SPC as a service provider in the area. He endorsed the call by French Polynesia for a definition of SIS within the SPC context.

398. The representative of Fiji commended the Director-General for his presentation and for SPC's excellent service delivery, noting that as a host country Fiji witnessed firsthand how SPC carried out its core functions. He said that he would formally communicate Fiji's approval for the increase after his return to Fiji.

399. The representative of Palau voiced his support for the 10% increase, and moved that the recommendations in the 2007 Budget paper be approved.

400. The representative of Tokelau expressed his support for SPC, and said Tokelau would respond to the requested increase after his return to Tokelau.

401. The representative of New Zealand noted the need to consider reprioritising spending within existing resources. She provided an update on New Zealand's existing commitment to SPC, which equals some NZD 18 million over 3 years, in addition to more than NZD 12 million for various specific programmes, making a total of over NZD 30 million. She said that New Zealand's contribution was significant and far outstripped its contribution to other regional organisations, even given that SPC is the largest regional organisation. She reaffirmed that New Zealand fully supports SPC, and would commit to the 10% increase, but said the question of whether its share of the assessed contribution increase would amount to an addition to its existing contribution, or would mean a readjustment of the funding it provides within New Zealand's current arrangements for core and non-core funding would be addressed separately during discussions over a new funding agreement. These would be held in 2007. She noted that SPC's management structure was being stretched by the current expansion of programmes.

402. The representative of Australia acknowledged the existing work that SPC was doing in the region, and the value of new work (e.g. on SIS), and said she appreciated SPC's efforts in bringing new funding into the region. She noted that it was important that resources be harmonised, and gave the example of how the regional HIV/AIDS strategy had helped in harmonising funding from different sources. She said that SPC provided many services to PICTs, and also provided an option for donors, enabling them to meet their international commitments to the region in a streamlined way. She noted the burden placed on SPC by its role in leading/implementing Pacific Plan initiatives, and agreed with New Zealand regarding the number of project activities, and the limited administrative capacity to support them. She noted the organisation's streamlined approach to management, and supported the recommendation for a 10% increase in assessed contributions.

403. The representative of France noted that the recent France/Oceania Summit had demonstrated the commitment between France and the Pacific. He said that French Polynesia and New Caledonia had become associate members of the Forum, and that Wallis and Futuna was now an observer. He said France had always supported SPC's activities, and commended the new guidelines and strategic orientation contained within the Corporate Plan, which he said was a strong plan for the future. He expressed concern over the increase (from 7% to 15%) in the administrative fee for projects, suggesting the fee should be examined on a project by project basis. He stressed that SPC should start a receiver process for arrears, noting that voting for an increase in assessments when arrears still existed did not make sense. He said France supported the 10% increase, but would need to take stock of its contribution to SPC, and might have to reclassify the split between project and core funding; he also noted that in future, France would like to receive further information on SPC programmes and spending.

404. The representative of Tuvalu voiced support for the proposed 10% increase.

405. The Director-General conveyed his appreciation for the support given by members to the increase, noting the reservations expressed by the US, and the need for some members to consult further with their governments. He said that by approving the budget, members were giving a vote of confidence to move ahead, while he noted comments made regarding institutional analysis, looking at priorities, and reprogramming. He agreed with the need for these activities, and said that while they could unfortunately not be achieved in his first 10 months in office, he would proceed with them and come up with options, and said that SPC would be selective in terms of the new programmes that it takes on. He acknowledged Australia and New Zealand for their "huge" contributions. He stated that at the next CRGA in 2007, he would provide feedback on the issues raised by members and progress in implementing decisions. He noted that the balanced budget as presented to CRGA would be used, and that expenditures would be structured to equal income (taking into account the 10% increase for all members except the US).

CRGA decision**406. CRGA:**

- i) approved the SPC budget for Financial Year 2007, including the transfer from the General Reserve, with the exception that the United States disassociated itself from consensus concerning the increase in SPC's management fee and the transfer from the General Reserve;
- ii) approved a 10 per cent increase in assessed contributions, with the exception that
 - a) the United States opposed the consensus to increase the core assessment by 10 per cent and said it would not support an increase in its assessed contribution, and
 - b) the following countries endorsed the increase in principle subject to final confirmation by their governments: Papua New Guinea, Tonga, Niue and Fiji;
- iii) noted that
 - a) inescapable cost increases and the remuneration adjustments arising from the 2006 CROP remuneration review have been fully absorbed by SPC for the 2007 budget year,
 - b) SPC plans to use the increase in assessed contributions to further improve direct delivery of services to island members of the Pacific Community, and
 - c) The budget decision in (ii) to increase each member's individual contribution by 10 per cent, except that of the United States, will result in changes to the relative shares of total assessed contributions for members, superseding the percentages agreed to under Agenda Item 6.4 (see also the following table).

Assessed Contribution – Global Split

	Current distribution	Proposed to CRGA & approved before budget discussion	Final approved percent distribution
Metropolitan Members	89.9423 %	89.9423 %	89.7692 %
Island Members	10.0577 %	10.0577 %	10.2308 %

Individual member percentages for PICTs by the four categories

	Current distribution	Proposed to CRGA & approved before budget discussion	Final approved percent distribution
Category 1	0.8304 %	0.8304 %	0.8448 %
Category 2	0.3795 %	0.3795 %	0.3860 %
Category 3	0.3246 %	0.3246 %	0.3302 %
Category 3	0.2446 %	0.2446 %	0.2692 %

Host Country Grants

New Caledonia	0.6132 %	0.6512 %	0.6625 %
Fiji	0.4205 %	0.3825 %	0.3891 %

AGENDA ITEM 8 — CRGA 37 — 2007 (APIA) — MEETING CHAIRPERSON AND VICE-CHAIRPERSON

407. CRGA noted that in accordance with its rules of procedure, the venue for the meeting of CRGA 37 would be Apia, Samoa, and the Chairperson for CRGA would be provided by Wallis and Futuna, and the Vice-Chairperson by American Samoa.

CRGA decision

408. CRGA:

- i) noted that the venue for the Year 2007 Meeting of CRGA 37 is Apia, Samoa (members will be advised in due time of the exact meeting dates); and
- ii) noted that, according to the Rules of Procedure for CRGA, the Chairperson for CRGA 37 will be provided by Wallis and Futuna and the Vice-Chairperson by American Samoa.

AGENDA ITEM 9 – OTHER BUSINESS

409. The representative of Marshall Islands referred to earlier remarks that the Secretariat would look at host country responsibilities, and asked SPC to follow up on the issue. The Director-General said that he would submit a policy paper on the issue for consideration by CRGA 37.

Presentation of OCT/EU Renewable Energy Programme

410. CRGA saw a presentation on the TEP Vertes Project set up by French Polynesia, New Caledonia, and Wallis and Futuna to improve the living conditions and income-generating activities of their rural and isolated Pacific populations through access to environmentally friendly renewable energy. Funding for this project totals 10.3 million Euros, with 50.7 % provided by the European Development Fund, 22.7% each by French Polynesia and New Caledonia, and the balance by Wallis and Futuna. The funding convention was signed on 18 October this year. The project will be carried out in three phases over a three-year period. The first phase will focus on planning and evaluation and will be followed by the actual implementation phase. During the third phase, the beneficiaries will share their analysis and experience with other countries of the region. An audit and final evaluation will then take place. The original concept for this project was developed by SPC at a time when it had a renewable energy programme, but was recently revived by French Polynesia, New Caledonia, and Wallis and Futuna, with the support of the Ninth EDF.

CRGA decision

411. CRGA:

- i) noted the presentation of the OCT/EU Renewable Energy Programme set up to improve the living conditions and income-generating activities of the rural and isolated populations of French Polynesia, New Caledonia, and Wallis and Futuna, through access to environmentally friendly renewable energy; and
- ii) welcomed the project's emphasis on sharing information and expertise with other Pacific countries, as part of its third phase.

AGENDA ITEM 10 – ADOPTION OF REPORT

412. CRGA 36 adopted the record of decisions, and agreed to a process by which members would provide feedback to the Secretariat on their interventions as recorded in the meeting record. The full record of the proceedings would then be finalised.

CLOSING OF MEETING

413. The Director-General thanked the Chairperson, Vice-Chairperson and members of CRGA for their hard work and dedication, and said he was encouraged by how engaged members had been during the week's lengthy deliberations and discussions. He said he hoped members would continue to hold the Secretariat accountable. He gave special thanks to members of the drafting committee, to the observers attending the meeting, and to all the SPC staff members who had made the meeting possible.

414. After a closing prayer by the representative of Fiji, the Vice-Chairperson thanked the Director-General and the members for an excellent meeting, and declared the meeting closed.
