

**REPORT OF THE  
EIGHTH CONFERENCE OF THE PACIFIC COMMUNITY**

(Suva, Fiji, 18–19 November 2013)

and

**FORTY-THIRD MEETING OF THE  
COMMITTEE OF REPRESENTATIVES OF GOVERNMENTS AND ADMINISTRATIONS  
(CRGA 43)**

(Suva, Fiji, 12–15 November 2013)

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## **EIGHTH CONFERENCE OF THE PACIFIC COMMUNITY**

**Chairperson**

Ratu Inoke Kubuabola  
Minister of Foreign Affairs and International Cooperation  
Suva, Fiji

**Vice-chairperson**

Ms Telo Taitague  
Governor's Adviser, External Affairs  
Guam

## **AGENDA**

**Opening of the session**

**Director-General's overview report**

**Letter from Chair of CRGA to Chair of Conference on CRGA 43 recommendations to Conference and decisions taken by CRGA 42 in 2012**

**Thematic discussions** – Enhancing Sustainable Development in the Pacific Community – Helping Shape the Post-2015 Development Agenda

**Year 2015 Conference venue and election of Chairperson and Vice-Chairperson**

**Statements from observers**

**Other business**

**Appointment of the Director-General**

**Adoption of the Communiqué of the 8th Conference of the Pacific Community**

**Close of Conference**

## **REPORT OF PROCEEDINGS**

### **AGENDA ITEMS 1 AND 2 – OPENING OF THE SESSION**

1. The Chair, Ratu Inoke Kubuabola, Minister of Foreign Affairs and International Cooperation, Fiji, welcomed the Conference participants and declared the meeting open. He commended SPC for remaining an apolitical technical assistance organisation that ties the region's diverging societies and economies together. He congratulated Dr Jimmie Rodgers for his sterling leadership as SPC's Director-General for the last eight years. The Independent External Review (IER) lifted the profile of SPC. SPC implemented 37 of the IER's 42 recommendations and is making progress on three others. SPC has deferred implementation of the remaining two recommendations until 2014. Concluding his remarks, the Chair highlighted five areas for emphasis by SPC's governing body: sustainable financing of SPC's work; clarifying and strengthening SPC's governance arrangements; SPC's involvement in the post-2015 development agenda; coming to an agreement on membership issues; and SPC's human resources challenges and suggestions for overcoming them – SPC has had difficulties recruiting and retaining scientific staff for its technical divisions, as discussed during CRGA.

2. The representative of Niue moved to adopt the agenda as presented. The motion was seconded by the representatives of Cook Islands, Guam, and Republic of the Marshall Islands (RMI).

3. The Director-General proceeded with the selection of the Drafting Committee for the Eighth Conference of the Pacific Community, noting the representative of Guam, the Vice-Chair of the Conference, would chair the Drafting Committee. Representatives from the following Pacific Island countries and territories (PICTs) volunteered to serve on the Drafting Committee: Australia, Federated States of Micronesia (FSM), Fiji, France, Kiribati New Caledonia, Niue, Papua New Guinea (PNG), RMI, Solomon Islands, Tonga, United States, Vanuatu, and Wallis and Futuna.

4. The Director-General outlined the record-keeping procedures for the Conference, which would focus on key decisions taken by representatives. The key decisions would be summarised in the Conference Communiqué. Afterwards, a full report would be sent, capturing each delegation's interventions. As there were no objections, the reporting methods were accepted by the delegates.

### **AGENDA ITEM 3 – DIRECTOR-GENERAL'S OVERVIEW REPORT**

5. The Director-General presented his overview report to the Conference, stating that it would be his final report to the Conference as SPC's Director-General and that it was essentially the same report he gave to CRGA. He said SPC is implementing the recommendations of the IER and that there is no intention to further decentralise SPC by creating additional country offices. Reflecting on his eight-year tenure, the Director-General said that two major events impacted SPC services and staff during that time: the Regional Institutional Framework (RIF) reforms and the Pacific Plan. He spoke about the overall direction of SPC and its focus on service delivery and achieving results. As a result of its reputation as a reliable and effective organisation, SPC receives over 50% of its funding from non-member sources. SPC is also an accountable organisation, recently achieving its 17<sup>th</sup> consecutive year of clean audits. Morale at SPC is high. SPC is an organisation that can only get better as it continues to adapt, while remaining relevant, flexible and responsive to its members' needs. Looking at the road ahead, the Director-General identified strengthening and deepening SPC's development responses to country needs as a key area for future improvement. SPC covers more than 20 sectors and, unlike other agencies making up the Council of Regional Organisations in the Pacific (CROP), SPC can provide comprehensive solutions to cross-cutting issues. Having established knowledge and practices over the past 66 years, SPC also needs to examine how to transform those in the modern and

rapidly changing world context. SPC should determine how to market itself as a development agency that fits into its members needs; significant development of human and financial resources must occur to accomplish this. In addition, SPC should look beyond its current development partners, as recommended by the IER. SPC can be a powerful advocate for the Pacific within the global agenda. Areas for future improvement include SPC telling its success stories and advocating for the needs and development challenges of the PICTs. He noted the contribution to SPC of Mr William Forsyth, its first Secretary General, who had shown great foresight and vision in suggesting the establishment of the South Pacific Commission after World War II. Before concluding, the Director-General outlined several ways to accomplish further improvements within SPC. The governance roles of Conference and CRGA should be further enhanced. The legality of SPC's name should be recognised at the international level. For the past 30 years all SPC members have been treated as equal members and this should also be legally recognised. Membership provisions should be agreed on and the process to review members' commitment and contributions should also be revisited to reinforce their ownership of SPC. SPC's regional and international engagement should be enhanced and its place in the regional development agenda should be consolidated. Enhanced risk management and sustainable financial management strategies should be put in place. In closing, the Director-General acknowledged people, organisations, and other entities for aiding in his and SPC's successes through the years. He commended SPC's founding members, who have stayed with the organisation from the start, as well as PICT members who are demonstrating commitment through their increasing financial contributions to SPC. He thanked SPC's development partners, who now finance more than 50% of its budget. He also thanked all SPC staff, of the past, the present, and the future. His final words of thanks were for Fiji for its hospitality as host of Conference and CRGA.

## **DISCUSSION**

6. The Chair thanked the Director-General for his comprehensive report and opened the floor to interventions. Participants congratulated the Chair on his assumption of leadership of the Conference and thanked the government of Fiji for its hospitality and the traditional welcome ceremony. Participants also congratulated the outgoing Director-General for his successes and leadership over the years, and thanked him for his report.

7. The representative of Samoa thanked SPC for its record of dedication to service, with the ultimate goal of making a difference in the lives of people in the region.

8. The representative of Niue acknowledged the significance of the climate change message in the opening remarks by Fiji's Prime Minister. It is a message that has been shared over the past years but it is also a message of the togetherness of 'Pasifika'. Concluding, he commended SPC for its achievements in fulfilling the recommendations of the IER.

9. The representative of Fiji welcomed the members of SPC's management team and noted that the Conference should be proud of the progress SPC has made in its development.

10. The representative of New Caledonia congratulated SPC on its accomplishments related to the IER. She announced that New Caledonia is prepared to permit greater flexibility in the use of its financial contributions. She also announced that New Caledonia expects to make additional in-kind contributions to SPC. Closing her remarks, she stated that improving SPC's partnerships with the private sector would help the organisation become more modern and forward-looking.

11. The representative of Vanuatu stressed the importance of SPC's joint country strategies (JCS) and remarked that they provide an important tool to guide SPC's engagement with members.

12. The representative of PNG said PNG's Minister of State was unable to attend the Conference due to the country's budget announcement the following day. He congratulated SPC on being comparable to the best scientific organisations around the world.



13. The representative of Australia said that this year was a productive one in terms of advancing the recommendations of the IER.

14. Responding, the Director-General expressed gratitude for the acknowledgment of his work and that of his team. He closed his statement by thanking his family for their unfailing support.

## **DECISIONS**

15. Conference:

- i. commended the Director-General and his team for the key achievements of his eight-year tenure as Director-General; and
- ii. agreed to formally accord posthumous recognition of the contribution to SPC of Mr William Forsyth, its first Secretary General.

## **AGENDA ITEM 4 – LETTER FROM CHAIR OF CRGA TO CHAIR OF CONFERENCE**

16. The CRGA Chair presented the recommendations of CRGA 43. She began by thanking Fiji for hosting the meetings and Guam for providing the Vice-Chair for CRGA. She said that CRGA had discussed several policy and governance issues, including programmes, operations and management, staffing, membership and the appointment of the Director-General. She highlighted some achievements. The Programmes Directorate had been recently established and would help SPC improve its multi-sector approach and enhance delivery and resource mobilisation. The Applied Geoscience and Technology Division had facilitated the approval of 28 boundary delimitations and worked to update maritime charts and provide support for members to assess opportunities in deep sea minerals and mining. The Economic Development Division had assisted members to comply with international maritime conventions through audits and auditor training, and had facilitated the creation of the Central Pacific Shipping Corporation to help ensure reliable shipping. The division had also worked in the area of appliance labelling, provided petroleum advisory services, helped improve energy access and security through the EU-funded North-REP project, and worked on submarine cable opportunities (with the private sector). The Education, Training and Human Development Division provided support for national capacity to address human rights issues, worked to advance gender mainstreaming and promote domestic violence legislation and helped enhance literacy and numeracy. The Community Education and Training Centre, which had celebrated its 50<sup>th</sup> anniversary in 2013 and was to be transferred to the University of the South Pacific at the end of the year, had strengthened the capacity of women and communities. The Fisheries, Aquaculture and Marine Ecosystems Division had continued important work in natural resource management for both coastal and oceanic resources, especially tuna stocks. It had helped members access new markets for tuna and new potential small-scale fisheries and ventures such as the aquarium trade. The division faced some resource constraints with the upcoming end of several projects. The Land Resources Division had continued services to members in forestry, agriculture, addressing zoonotic diseases, strengthening enterprises in agriculture and forestry, and helping improve market access. The Public Health Division had continued to facilitate the Pacific Public Health Surveillance Network, protecting people from communicable diseases, especially pandemic diseases. Progress in fighting tuberculosis was another highlight, as was addressing NCDs (non communicable diseases). The division also faced resource constraints with projects coming to an end. The Statistics for Development Division was providing important support to national statistics offices, continuing the national minimum development indicator database project and providing support to other programmes. In addition, the population and housing censuses supported by the division help inform national decision-making. The division also helps countries with their reporting for international agreements. SPC's budget had been presented to CRGA for adoption and was a balanced budget, with most of the organisation's funding coming through projects. There had also been discussions on the strategic plan and financing, and on giving legal effect to previous decisions on membership and governance. Thematic discussions at

CRGA 43 had focused on the need to address climate change and disaster risk management for human security, and the advantages of combining approaches in the two areas. Lastly, the meeting had discussed how to influence the outcomes of current development agendas and had concluded that SPC was well positioned to help; upcoming examples were the International Meeting on Small Island Developing States and the Pacific Plan review.

17. The Conference Chair thanked the CRGA Chair for the report and suggested that the meeting adopt the report and endorse the recommendations.

18. The representative of Samoa said that Samoa supported the recommendations.

19. The representative of Solomon Islands said that Solomon Islands endorsed the report.

20. The representative of the United States said that the United States supported adopting the recommendations but had continuing concerns on the legal terms of membership and therefore was unable to join the consensus in that area. The US view is that under Art. XVIII §60 of the Canberra agreement, an amendment would require consent of all of the participating governments. She said that the United States would have welcomed the participation of all members in the working group and hoped to continue to work with SPC on the matter.

21. The Chair declared the recommendations adopted and noted that SPC would continue to work with the United States on the matters raised.

22. The representative of FSM thanked the Chair and Fiji for its hospitality. He presented regrets from the Vice President of FSM, who had been unable to attend the Conference. He expressed FSM's great appreciation to the Director-General for all his accomplishments, noting that one accomplishment had greatly benefited FSM and other North Pacific PICTs – the establishment of the North Pacific Regional Office, which brought services directly to the subregion and ensured that SPC became known there. He said that this was an important legacy for the Director-General.

23. The representative of the United States thanked Fiji for hosting the meeting. She presented regrets from the representative of the United States Agency for International Development based in the Philippines, who was due to attend but could not. She noted that support for the agency's work with SPC had come from that office. She said that the United States was proud of its role in the founding and nurturing of SPC, and that it was the organisation of choice for the United States in working with PICTs. The United States had been glad to see the comprehensive IER last year and was pleased that almost all of its recommendations had been implemented. The United States applauded SPC's vision for the future, especially regarding cross-sectoral work, and encouraged it to build in sectors where it has unique experience. The United States also applauded SPC's efforts to strengthen its monitoring and evaluation and expected that these efforts would serve the organisation well as it sought to increase its resources. In closing, she said that the United States had appreciated the discussions with members and SPC on future directions, and that it had been a pleasure for her to work with the Director-General over the last two years.

## **DECISION**

24. Conference adopted the recommendations of CRGA 43 and noted the decisions taken by CRGA 42 in 2012.

## **AGENDA ITEMS 5 AND 6 – THEMATIC DISCUSSIONS**

25. The Chair introduced the theme of the Conference, Enhancing Sustainable Development in the Pacific Community – Helping Shape the Post-2015 Development Agenda. He asserted that there

was no better time than the present to advance the sustainable development agenda of the Pacific region since Fiji was the current chair of the Group of 77 (G-77), Nauru was the current chair of the Alliance of Small Island States (AOSIS), and Samoa would be hosting the Third International Conference on Small Island Developing States (SIDS) in 2014.

26. The Director-General presented the work of SPC in relation to the Conference theme. He began by explaining that it is customary for the host country to propose the theme of the Conference. Fiji proposed this year's theme. The Director-General summarised the Conference theme by stating that it is about how the Pacific, as a region, ensures that its agenda is included in future development planning as the Millennium Development Goals (MDGs) are ending in 2015. To prepare for the closure of the MDGs, a UN High-Level Panel (HLP) was convened on the Post-2015 Development Agenda. The panel released its report on 30 May 2013 and recommended five transformative shifts: 'Leave No One Behind,' 'Put Sustainable Development at the Core,' 'Transform Economies for Jobs and Inclusive Growth,' 'Build Peace and Effective, Open and Accountable Institutions for All,' and 'Forge a New Global Partnership'. Within those five transformative shifts, there are 12 goals and 54 targets. Timor Leste was the closest representation for the Pacific on the HLP. In addition to the HLP, the United Nations Conference on Sustainable Development (Rio +20) in June 2012 established the Open Working Group on Sustainable Development Goals (SDGs). This working group included PNG, Palau and Nauru. The working group performed a stocktake and assessment of sustainable development. The group has also been working to determine what should be considered to replace the MDGs, resulting in a draft proposal for SDGs, a narrative and targets. Key processes for determining the SDGs have included the HLP report, SIDS preparatory meetings, and expert working groups, such as the Inter-agency and Expert Group on MDG Indicators and the Intergovernmental Committee of Experts on Sustainable Development. Achieving convergence of the goals from the SIDS Conferences, the SDGs, and the post-MDG processes is crucial to achieving a coherent post-2015 development agenda. There must be one set of development goals and targets for the Pacific. The Director-General provided an analytical assessment of whether the PICTs' priorities were captured in the key post-2015 development agenda processes. Specific targets and indicators should also be identified. Perceived gaps in the various priorities are emerging in the areas of culture and mental health. Although culture was mentioned in the dialogues and health was covered in each of them, mental health was not. Governments must decide if mental health is important enough to advocate adding it to the agenda. Capacity building in the area of mental health includes addressing mental illnesses before they become mental health problems. Regarding culture, the people of the Pacific do not separate culture from identity – the inclusion of culture in the post-2015 development agenda was necessary. Concluding, the Director-General summarised the paper's key messages. All PICTs must be engaged in the post-2015 development process and must examine their own positions as regional positions are coordinated. This will help determine the areas where SPC will best be able to provide support in the future.

27. Josefa Maiava, Head of the United Nations Economic and Social Commission for Asia and the Pacific (UNESCAP) Pacific Operations Centre, addressed the Conference theme both from the UN and the Pacific perspectives, explaining that the goal was 'lasting and meaningful outcomes' in the context of the post-2015 development agenda. He introduced his presentation by illustrating the importance of the environment to the Pacific. Citizens of the world need to be kinder and more humble, not only to each other but also to the environment. He explained that the ocean absorbs about one-third of the carbon that people emit and produces about half of the oxygen that people breathe. The ocean absorbs more than 90 per cent of the earth's heat and redistributes it. The ocean produces important life-giving benefits, in addition to its economic benefits. It must be protected at all cost. The reason the green economy tool was adopted by Rio +20 for promoting sustainable development and integrating its pillars was due to the view that making the economy more 'green' would make it more sustainable and inclusive. Within development, sustainability and inclusiveness must include the environment and not just people. The five key shifts outlined in the HLP report will need to be undertaken if sustainable development is to be achieved. The five shifts bring together the social, environmental, and economic goals in a coherent, effective, and sustainable way. He then addressed

the proposed emphasis on culture and mental health. There are aspects of Pacific cultures that are neither inclusive nor sustainable. Mental health is an indicator of how grim the Pacific way of life can be. There is a need to understand culture and mental health as both being part of the solution. He referenced a book titled *Leading from the Emerging Future: From Ego-System to Eco-System Economies*, by Otto Scharmer and Katrin Kaufer. In 2000, the World Health Organization estimated that more than twice the number of people died from suicide and self-harm than from war. The Pacific region has some of the highest rates of suicide and violence against women in the world. There is also an increasing wealth gap in the Pacific. These are indications that improvements need to be made in the areas of culture and spiritual well-being in the Pacific. The common denominator in the Pacific climate change problem is global consumption of carbon-based fuels. According to science, the world is on the brink of the 'crisis challenge,' as defined in *Leading from the Emerging Future*. There is a need for more creative ideas and innovation to meet the looming crisis. Governments need to look at transitioning from a brown economy, involving burning fossil fuels, to an economy that is greener and more sustainable. Working toward a solution is about mobilising people to address the challenges; otherwise the solution will not be sustainable. He cited a quote from the introduction to *Real Leadership: Helping People and Organizations Face their Toughest Challenge* by Dean Williams: 'Fundamentally, real leadership gets people to confront reality and change values, habits, practices, and priorities in order to deal with the real threat of the real opportunity the people face. It facilitates improvements in the human condition. Counterfeit leadership, on the other hand provides false solutions and allows the group to bypass reality.' The real threat in the Pacific is climate change. Concluding, he summarised his remarks by stating that the priority of inclusiveness is key. The Pacific SIDS priorities highlight the need for more inclusive economic policies. Social inclusiveness is an overall SIDS priority. This is also emphasised by the High Level Political Forum, which will oversee the post-2015 development agenda. The UN Secretary General's view of the post-2015 development agenda is that it must be based upon sustainable development. Profound economic transformation must occur and global partnerships must be advanced. One focus of the 2014 SIDS conference is global partnerships. Stronger efforts must be made to close the world's economic and social divides. Leadership capable of addressing those divides must be cultivated. Sustainable development is the theme of the Pacific SIDS preparatory meeting. Integration of the three pillars of sustainable development must be accelerated. The greatest threat to the Pacific is climate change and ocean acidification. If action is not taken, the consequences will be dire for the Pacific; there is no other Earth but this one.

28. Noumea Simi, Assistant CEO, Aid Coordination Debt Management, Ministry of Finance of Samoa, addressed the SIDS process, its challenges and lessons, and roles that regional organisations can take to help shape the agenda. In addition to the Third International Conference on SIDS being hosted in Samoa in September 2014, Samoa will graduate from Least Developed Country (LDC) status in 2014. The theme for the conference will be sustainable development of SIDS through genuine and durable partnerships. Samoa is seeking to have the SIDS Conference launch new partnerships and consolidate existing ones. Prioritised partnerships will be in the following areas: climate change and disaster risk reduction, renewable energy, oceans and forests, enhancing the resilience of SIDS, and post-LDC graduation. All partnerships, regardless of their size, are worthwhile. Recognising that development is a country's primary responsibility, the need still exists for the international community to provide support to SIDS through strategic partnerships to address the gaps in the implementation of international protocols. Partnerships must be viewed in their totality: north-south, south-south, triangular arrangements, and between SIDS. Partnerships can also be between governments and the development stakeholders, including civil society, the private sector, and parliamentarians. This reflects the increasing importance of public-private partnerships and reforms of state-owned enterprises. Not all partnerships are financial in nature; technical assistance through capacity building, the sharing of knowledge and good practices, and technology transfer can be just as valuable. The Samoa SIDS Conference is an opportunity to reinvigorate the commitment of the international community to a global partnership enabling SIDS to eradicate poverty, build resilience, and improve quality of life. In addition to the 2014 SIDS Conference and its preparatory events, member countries can influence the formation of the post-2015 development agenda through

their diplomatic missions in New York. The Assistant CEO, Ministry of Finance of Samoa, urged all member countries to ensure that there is continuing communication between capitals and the processes occurring in New York. This will ensure that delegates are up to date on the processes before the 2014 SIDS Conference begins. PICTs participate in or chair existing UN forums such as the G-77, AOSIS, Pacific SIDS, and the Open Working Group on Sustainable Development Goals. PICTs can participate in forums that deal with the specific priorities of the region, such as the ongoing United Nations Framework Convention on Climate Change (UNFCCC) Conference of the Parties (COP) process. The unfinished business of the MDG agenda should remain a priority for PICTs, including programmes to accelerate the achievement of MDGs. MDG Eight, on partnerships, was the weakest link in the implementation of the Millennium Declaration. Given that significant outstanding financing commitments existed, the adoption of a post-2015 development agenda will require a renewed global partnership for development to support an implementation that will be based on effective accountability and strengthened partnerships. Several challenges exist for PICTs in the range of processes to influence the post-2015 development agenda. In past discussions, the Pacific has not been able to submit a collective and regional position on several issues, including the priorities PICTs desire for the region. Another challenge is the absence of a regional framework, which would assist in defining PICTs' priorities and regional and global linkages, and articulate the prioritisation process. Most PICTs cannot cope with the number and complexity of the processes. PICTs should embrace regional representation alongside their own representation. PICTs should also support each other through endorsement of resolutions, recommendations, and simply vocalising that support; pre-conference consultations are important to achieving such support. Consistency of representation at forums that shape the post-2015 development agenda is lacking from PICTs, contributing to a shortage of knowledge continuity. There is also a dearth of communication between PICT capitals and diplomatic mission headquarters on development issues. PICTs are not able to respond to feedback mechanisms due to capacity constraints. It is not clear if there is a regional organisation that is coordinating Pacific discussions on the post-2015 development agenda. This coordination would include fostering coherence between the policy agendas of the different regional organisations and the international forums dealing with the post-2015 development agenda. Statistical efforts similar to those undertaken by SPC for the MDGs should continue post 2015. SPC should also continue to assist in preparing PICT leadership for participation in crafting the post-2015 development agenda in SPC's mandated areas. In addition, SPC should assist in crafting concrete and implementable policies for sustainable development. Further, SPC should provide technical analysis on the use and management of regional public goods.

## **DISCUSSION**

29. The Conference participants thanked the panel for their remarks and insight. They also applauded the appropriateness of the Conference theme.

30. The representative of Samoa remarked that the theme provided an opportunity to become better informed about the global and regional processes that influence the post-2015 development agenda. He agreed that the Pacific has never been better placed to influence the development agenda. PICTs need to ensure that there is coherence and collaboration within the region and amongst the CROP agencies. He urged SPC to join the region in ensuring that PICTs are able to shape the international development agenda. SPC and other CROP agencies should be proactive and send briefings to New York-based missions on the topics mentioned as well as on other development issues related to the sustainable development goals, the post-2015 development agenda, and the SIDS Conference. SPC should be proactive and not wait for New York-based missions to request input. He then reflected on the theme for the 2014 SIDS Conference: sustainable development of SIDS through genuine enduring partnerships. Samoa will ensure that the SIDS Conference is used to the maximum extent possible to launch partnerships that secure dedicated support to address the unique challenges and vulnerabilities facing SIDS. Samoa's graduation from LDC status is a testament to the partnerships it has formed over the years. He concluded his comments by urging that SIDS' development priorities be supported by 'short, snappy policy briefs' from SPC and other CROP

agencies distributed widely to PICTs; this would enable the region to advocate from the same platform.

31. The representative of France remarked that the definition of the post-2015 development agenda is a priority for France, as it is for the PICTs. The MDGs will keep their relevance going forward and SPC should coordinate the emerging sustainable development goals with the MDGs. The task before the region is immense; it involves defining common objectives for extremely different countries and territories to permit decent living conditions for all in a world facing climate change and limited resources. The battle against poverty cannot be separated from sustainable development. The collective global partnership should create new modes of sustainable production and consumption; otherwise, poverty will not be eradicated. The greatest threat to development is climate change and a coalition of motivated countries can truly make a difference. At 'Paris Climat 2015', the 21st session of the Conference of the Parties to the UNFCCC (COP 21), France will host the international community as it discusses sober and effective ways to fight climate change together. The French vision of the 2015 agreement is that of an ambitious and universal agreement, applicable to all. He concluded his remarks by encouraging SPC to coordinate PICTs' interventions at COP 21 and at other international forums to define a post-2015 development agenda that is agreeable to all.

32. The representative of Guam began her comments by inviting the Conference Chair to Guam. She stated that although Guam is not a member of SIDS, Guam is willing to provide information, data, statistics, and reports that could be useful for island development. She commended the emphasis on culture, agreeing that culture should be at the forefront of development as it is at the heart of the identity of Pacific peoples. She then asked the Director-General for an explanation of the use of the word 'sovereignty' on page five (section iv) of Conference paper four.

33. The representative of Kiribati commented that patterns of unsustainable production and consumption have harmed the livelihoods of Pacific people and climate change is posing challenges to their livelihoods and future. Pacific people should take a stand and reject unsustainable production and consumption. Second, Pacific voices must be heard regarding the intensifying competition for ocean-based resources. Pacific people are custodians of the last remaining healthy tuna stocks in the world and the last remaining pristine ocean ecosystems. Oceans are the next frontiers for world development and Pacific people must insure they remain vital. Third, Pacific populations are growing and the issues of urbanisation, education, health, particularly NCDs, are very relevant to SPC. Oceans and NCDs have not been well articulated in the global outcomes and should be advocated at the 2014 SIDS Conference and other events. Finally, Pacific leaders must ensure that the post-2015 sustainable development goals keep the promises they made to their constituents to ensure an inclusive, equitable, and sustainable future.

34. The representative of New Caledonia stated that the topic of sustainable development is raised at all regional and international conferences, which is evidence that sustainable societies are at the heart of political preoccupation. Few organisations are able to link the life of Pacific peoples and international engagements as SPC can. As members of SPC, PICTs should support it as much as possible so it can influence international negotiations on sustainable development. New Caledonia proposed to share with SPC and the PICTs some of its transferable sustainable development tools. New Caledonia and the other French territories in the Pacific can stand together and provide a larger voice for the Pacific in Europe. She also applauded the training on international negotiation provided to Pacific leaders. Closing her remarks, she offered five points related to sustainable development goals: oceans must be mentioned in the SDGs; culture is an equally important theme as there is a link between culture, art, and the spread of values; strategies for managing climate change risks are a leading development issue and must also be in the SDGs; mental health is missing from the goals but other disabilities must also be part of the post-2015 development goals; finally, land security is the 'engine room' of all these themes and must also be considered in the post-2015 development goals.

35. The representative of New Zealand stated that SPC is a repository of knowledge in the Pacific and it is well positioned to support the region ahead of the SIDS Conference. The 2014 SIDS Conference will be a launching pad for the region's engagement in the post-2015 development agenda. He said New Zealand is willing to support Samoa to ensure the 2014 SIDS Conference succeeds in its aims.

36. The representative of Niue remarked that Pacific people are not only custodians of the oceans, but also custodians of the Earth. PICTs should take steps to mitigate climate change. He also stated that Niue is not a member of the UN and other international organisations; this should be considered when regional organisations say that no one will be left behind in the Pacific. There is not much time before the 2014 SIDS Conference and a 'Regional Roadmap' produced by SPC could be a tool that shows how SPC is truly an 'organisation of excellence'.

37. The representative of PNG noted the importance of greater leadership on climate change. Effective regional coordination is needed now more than ever. The MDGs were noble but achieving them within a given timeframe was not realistic, given that Pacific people face many and varied challenges. He expressed appreciation to SPC's donor partners and urged more equitable access to donor funding across SPC.

38. The representative of Solomon Islands noted the high level of success SPC has achieved in forging partnerships. He noted the outcomes of the HLP and recognised the need to achieve the five transformative shifts they specified. He expressed hope that regional organisations do not leave anybody behind and remain inclusive throughout the negotiation process. He stated that a strong and inclusive regional view should be developed and presented.

39. The representative of Tokelau acknowledged the intention of the discussion paper and noted the importance of strengthening partnerships. He encouraged SPC to mobilise its partnerships to influence the Open Working Group on SDGs and the development goals drawn from the HLP. The 2014 SIDS Conference will provide a unique opportunity for the Pacific to influence regional development.

40. The representative of Tonga expressed Tonga's high hopes for the 2014 SIDS Conference. He called for inclusion of climate change as a cross-cutting issue in the post-2015 development goals and stated that climate change should be emphasised as a feature in national agendas, region-wide. He also stated that there should be a Pacific data depository for energy initiatives, similar to the UN depository.

41. The representative of the United States applauded SPC, as it is already playing a vital role to develop strategies to achieve national development goals, and welcomed SPC to continue coordinating the country strategies. The United States is working hard to expand climate adaptation assistance to the Pacific, as climate change is a priority challenge to the region. The new Pacific-American climate fund was announced in 2013 in Majuro to help fill the need for adaptation assistance. Additional community-driven adaptation efforts should continue in the Pacific. Closing his remarks, he expressed the United States' appreciation for SPC's continuing support to PICTs to engage internationally on climate change.

42. The representative of Wallis and Futuna commented that the territory is interested in engaging in the process of shaping the post-2015 development agenda.

43. The Head, UNESCAP Pacific Operations Centre, began his response by clarifying that all the Pacific territories can participate at the SIDS Conference as observers because they are all members of UNESCAP. In fact, the conference is 'not a SIDS conference – it is a global conference about SIDS.' The conference organisers are in search of strong, shared solutions; only those will be included in the conference outcome document. He stated that it would not be easy to make culture a separate post-

2015 development goal; culture is an enabler and important in the economic agenda. Also, planners are considering a dedicated sustainable development goal on oceans as a cross-cutting issue. Regarding climate change, however, it will be important to discuss what is meant by this term as a cross-cutting issue. More important than how all these issues are presented at the 2014 SIDS Conference is how SIDS will implement the outcomes of that conference. He concluded by stating that while SPC is in an excellent position to develop a coordinated approach to climate change, it is unclear what SPC's approach to sustainable development is.

44. The Assistant CEO, Ministry of Finance of Samoa, began her response by stating that the 2014 SIDS Conference would be inclusive; Conference correspondence will be distributed not just to the Pacific SIDS but also to the regional bodies on the roles PICTs want them to play. She also stated that without the final outcome of the pending Pacific Plan review, PICTs are still without a solid basis for regionalism. She concluded by stating that the 2014 SIDS Conference would be a way to consider how to take regionalism forward.

45. The Director-General thanked the delegates for their comments, which identified focus areas where SPC could work with its members and provide support. SPC's Deputy Director-General (Programmes) will be a key player for providing SPC's members with a coordinated approach. He also thanked the delegates for their encouragement related to SPC providing climate change and development policy support to PICTs' New York-based missions. The organisation will follow up on the guidance provided and members will notice a more coordinated approach. Regarding choosing the Conference theme, 'Enhancing Sustainable Development in the Pacific Community – Helping Shape the Post-2015 Development Agenda', the Director-General stated that it was Fiji's theme and SPC worked with Fiji to develop the paper. Climate change is not a new issue. All parties involved know it is important and it is coming. The Director-General concluded his comments by responding to the query by the representative of Guam about explaining the use of the word 'sovereignty' in Conference paper four. The paragraph containing that term was taken from an early draft of the Pacific Plan review. For this reason, it is crucial to see what the outcome of the review will be.

## **DECISION**

46. Conference welcomed SPC's commitment to assist all its island members to position themselves to engage strategically in the post-2015 development agenda and requested that it take a leadership role in this area.

## **AGENDA ITEM 7 – YEAR 2015 CONFERENCE VENUE AND ELECTION OF CHAIRPERSON AND VICE-CHAIRPERSON**

47. Conference accepted with thanks the offer from Niue to host the Ninth Conference of the Pacific Community and CRGA 45 in November 2015. The extra cost of holding the meetings away from SPC headquarters will be met by the Government of Niue. As host, Niue will chair the Conference with the Vice-Chair to be confirmed at CRGA 44.

## **AGENDA ITEM 8 – STATEMENTS FROM OBSERVERS; OTHER BUSINESS**

48. The Chair introduced the Vice Minister from Timor Leste, who made a statement to the meeting as an observer.

49. The representative from Timor Leste expressed the country's desire to become a member of the Pacific Community. It is already a member of the Association of Southeast Asian Nations (ASEAN) and was a founding member of the Southwest Pacific Dialogue. Concluding his remarks, he



stated that Timor Leste welcomes the opportunity to dialogue with SPC and its members about the future.

50. The Chair thanked participants for efficiently addressing the entire agenda of the first day of the Conference as well as many items from the second day of the agenda. He then closed the proceedings for the day.

51. Opening the second day of the Conference, the SPC Director-General and the Kiribati Minister of Finance and Economic Development signed the Kiribati Joint Country Strategy. It was the first of the 'second generation' joint country strategies prepared by SPC. The Kiribati Minister of Finance and Economic Development indicated during the signing ceremony that the Kiribati cabinet had directed that the JCS be signed and he expressed Kiribati's gratitude for the collaborative development of the document.

#### **AGENDA ITEM 9 – APPOINTMENT OF THE DIRECTOR-GENERAL**

52. Conference met in closed session to consider the appointment of the Director-General and by consensus reached a decision to appoint Dr Colin Tukuitonga to the post.

#### **AGENDA ITEM 10 – ADOPTION OF THE COMMUNIQUÉ OF THE 8TH CONFERENCE OF THE PACIFIC COMMUNITY; CLOSE OF CONFERENCE**

53. The Chair requested that a motion be made for adoption of the Communiqué of the Eighth Conference of the Pacific Community, as presented.

54. The representative of Samoa moved that the Communiqué be adopted.

55. The representative of Niue seconded the motion.

56. Dr Tukuitonga, SPC's incoming Director-General, then addressed the meeting. He expressed greetings to all the participants and thanked his SPC colleagues, CRGA, and Conference as a whole for their confidence, stating that he was honoured and excited to be given the opportunity and humbled by the challenge of leading the next phase in the growth of SPC. He thanked the government of Fiji for hosting the Conference and CRGA and said he was proud of the education he received from the Fiji School of Medicine. He acknowledged SPC's current Director-General, Dr Jimmie Rodgers, stating that SPC is a strong organisation today because of his vision and hard work.

57. The representative from the European Union (EU) then asked to make a statement. He expressed congratulations to Fiji for hosting the Conference and also to the Director-General for his eight years of leadership. He stated that before the end of 2013, the EU will have entrusted SPC to implement 150 million Euros of development funds. He expressed appreciation to SPC for the accomplishments of programmes in renewable energy, agriculture, and the sugar industry in Fiji. Beyond the budget for these programmes, the EU is satisfied with the quantifiable impacts achieved. Closing his statement, he announced that the EU looks forward to continuing the collaborative strategic partnership under SPC's future leadership.

58. The Chair presented a letter of commendation from the Prime Minister of Fiji to the Director-General. The commendation recognised the Director-General for his service to the Pacific Community and for his service to the region. In it, the Prime Minister bid the Director-General a fond farewell and wished the best to him and his family.

59. The representative of USA presented a letter from the United States' Secretary of State to the Director-General. The letter recognised the Director-General's significant contributions to the region, having completed four terms of leadership with SPC. It affirmed that the United States has worked with SPC since 1947 and is proud to continue as a member today. It further stated that the Pacific region has become stronger thanks to the Director-General's leadership. Closing her remarks, she said that the United States anticipated working closely with SPC's future leadership.

60. The Director-General, on behalf of himself and his family, thanked all the Conference participants, as well as the Prime Minister and people of Fiji and the Secretary of State of the United States for their letters of commendation. He stated that service is something that all aspire to and all would like to give. It is more of a blessing to give than to receive. He said that the rewards and recognition he received are a reflection of the SPC staff and are really rewards and recognition for them. He said it was a privilege to lead SPC and to have such high-quality staff working with him. The Director-General welcomed his colleague and friend, SPC's incoming Director-General, whose starting date in his new position would be 23 January 2014. He said that SPC is an extension of its members' national services and that it exists to serve its members under their direction. He also thanked the government of Australia for providing funds for the RIF as few development partners provided funding for those reforms.

61. The Chair began his closing remarks by thanking the Chair of CRGA, whose report enabled the efficient conduct of the Conference. He also thanked the SPC staff. He looked forward to the potential expansion of the Pacific Community through the anticipated application of Timor Leste and discussion of new membership categories. He paid special tribute to the Director-General and bid him farewell from the Conference, thanking him for his contributions to the organisation. Concluding, he presented to the Director-General with a letter of commendation on behalf of CRGA and a gift of a painting of a Pacific beach.

62. The delegate from PNG conveyed his gratitude to the Chair for the adoption of the Conference Communiqué. He also thanked the government and the people of Fiji for hosting the event as well as the Director-General for facilitating the successful hosting. He then thanked the government of France (Chair) and the other members of the selection committee for the position of Director-General for their work and congratulated the incoming Director-General, stating that he looks forward to future collaboration. Closing his statement, he commended the other candidates who had also stood for the position of Director-General.

63. In adjourning the meeting, the Chair thanked the participants for their support during the Conference and wished them safe travel home.

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## COMMUNIQUÉ

### EIGHTH CONFERENCE OF THE PACIFIC COMMUNITY (Suva, Fiji, 18–19 November 2013)

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## EIGHTH CONFERENCE OF THE PACIFIC COMMUNITY

### Communiqué

1. The Eighth Conference of the Pacific Community was officially opened by the Prime Minister of Fiji, Commodore Josaia Voreqe Bainimarama. The meeting was chaired by Fiji with Guam as Vice-Chair and was attended by representatives of the following members of the Pacific Community – Australia, Cook Islands, Federated States of Micronesia (FSM), Fiji, France, French Polynesia, Guam, Kiribati, Republic of the Marshall Islands (RMI), Nauru, New Caledonia, New Zealand, Niue, Papua New Guinea (PNG), Samoa, Solomon Islands, Tokelau, Tonga, Tuvalu, United States of America (USA), Vanuatu, and Wallis and Futuna – and by observers and partners including Timor Leste, the European Commission, GIZ (Deutsche Gesellschaft für Internationale Zusammenarbeit), University of the South Pacific, UN Economic and Social Commission for Asia and the Pacific, and the World Health Organization.

2. The meeting was hosted by the Government of the Republic of Fiji at Vale ni Bose, Suva. SPC members expressed their deep gratitude to the Government and people of Fiji for the excellent arrangements made in hosting the Eighth Conference and for the generous hospitality extended to them during their stay in Fiji.

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### **ENHANCING SUSTAINABLE DEVELOPMENT IN PACIFIC COMMUNITIES – HELPING SHAPE THE POST-2015 AGENDA**

3. The Conference deliberated on the theme, ‘Enhancing sustainable development in Pacific Communities – helping shape the post-2015 agenda’, noting the international processes taking place to formulate Sustainable Development Goals (SDGs) that are expected to replace the current Millennium Development Goals (MDGs), which expire in 2015. In this regard, Conference acknowledged that 2013 and 2014 are important years for Pacific Island countries and territories (PICTs) internationally because in 2013 Fiji chairs the G77 and China grouping of countries; Nauru chairs the Alliance of Small Island States (AOSIS); Papua New Guinea chairs the Pacific Small Island Developing States (Pacific SIDS) group in New York; Palau, Nauru and PNG are participating in the Sustainable Development Goals (SDGs) Open Working Group; and in September 2014 Samoa is hosting the Third International Conference on SIDS.

4. Recognising that this involvement gives the Pacific region a unique opportunity to influence the global development agenda, Conference agreed that the region’s approach should be inclusive, in accordance with its values, and that it should emphasise a united approach, including developing and launching concrete partnerships to ensure lasting and meaningful outcomes that address priorities critical to the Pacific Islands region, such as climate change (adaptation and mitigation); oceans and forests; enhanced SIDS resilience; disaster risk reduction; renewable energy; and post-LDC (least developed country) graduation.

5. Conference noted the proposed goals resulting from the four international processes (the High Level Panel (HLP), the Open Working Group, the Pacific SIDS preparatory process and the SIDS priorities from the inter-regional preparatory meeting in Barbados in September 2013) and the intention to converge the post-MDG (HLP) and SDG processes at the 69<sup>th</sup> UN General Assembly in September 2014, and agreed that culture and mental health should be added to the priorities to be considered in the post-2015 SDG process.

6. Conference welcomed SPC's commitment to assist all its island members to position themselves to engage strategically in the post-2015 development agenda and requested that it take a leadership role in helping them develop shared solutions; facilitating collaboration to ensure that the territories are informed and represented through partnerships with the independent states of the region; analysing and communicating information to brief Permanent Missions to the United Nations based in New York; and building the capacity of members to contribute effectively to the formulation of the SDGs.

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### **Director-General's overview**

7. Conference commended the Director-General and his team for the key achievements of his eight-year tenure as Director-General. Conference noted in particular the significance of these achievements given that they occurred during a period of major change, including the reform of the regional institutional framework (RIF) and the implementation of the Pacific Plan, coupled with SPC's ongoing internal reform. Conference affirmed SPC's role as the region's principal scientific and technical agency and the advantages of its ability to take a cross-cutting approach across 20 sectors to challenges such as climate change, and endorsed the strengthening of the organisation's governance and accountability. Conference commended the Director-General for the secretariat's positive approach to accepting and implementing the recommendations of the 2012 independent external review (IER), noting that 37 out of 42 recommendations had been implemented in a very short period, with progress being made on three others and two being deferred to 2014. Conference also noted SPC's success in creating and fostering new and effective partnerships with regional and international development partners working in the Pacific Islands region.

8. Conference recognised the major challenges in coming years that will need the continued attention of SPC's senior management team, including the need to further strengthen SPC's governance arrangements; ensure sustainable financing of its work; strengthen engagement in the post-2015 development agenda; ensure SPC's services remain relevant to the priorities of its island members; properly address membership issues; and deal with the secretariat's human resources challenges.

9. Conference agreed to formally accord posthumous recognition of the contribution to SPC of Mr William Forsyth, its first Secretary General, who as a member of Australia's Department of External Affairs proposed the 'South Seas Commission' in 1943 to facilitate regional cooperation in the post-war period – a vision that became the first example of regional cooperation in the Pacific.

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### **Tribute to the Director-General**

10. Noting that the Eighth Conference was the last meeting that the Director-General, Dr Jimmie Rodgers, would attend in his capacity of SPC CEO, Conference paid tribute to his inspirational leadership of SPC from 2006 to 2013, and his commitment and vision in developing a dynamic and effective organisation that has the development needs of its Pacific Island members and their people at its centre.

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## Adoption of CRGA 43 decisions

11. Conference recognised the in-depth work done during the 43rd meeting of the Committee of Representatives of Governments and Administrations (CRGA), which took place at Vale ni Bose in Suva, Fiji, from 12 to 15 November 2013, and adopted the recommendations of the meeting (p. 41).

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## Programmes Directorate

12. Conference welcomed the establishment in 2013 of the Programmes Directorate, in which SPC's seven technical divisions will work together to leverage their multi-sector capacities and enhance programme effectiveness, and noted the following highlights of divisional work in 2013:

- **Applied Geoscience and Technology Division** – Support for the development of a joint regional disaster risk management/climate change strategy by 2015; delineation of maritime boundaries for several countries; building of emergency operations centres (for example, in FSM and Solomon Islands); overseeing the construction of a sand and gravel barge for Kiribati; completion of water catchment studies for Samoa; and roll-out of the world's first template for a legal framework covering deep sea minerals.
- **Economic Development Division** – Provision of technical, legal and policy advice on energy issues; implementation of the North-Rep project, bringing reliable renewable energy services to thousands of people in more remote areas of RMI and FSM; provision of petroleum advisory services to island countries and territories, saving some members millions of dollars in 2013; support for compliance with international maritime obligations and building capacity to meet international transport safety and security requirements.
- **Education, Training and Human Development Division** – Support for legislative change addressing gender equality and violence against women; convening of the successful 5th Pacific Women's Ministerial Meeting and the 12th Triennial Conference of Pacific Women; and the Community Education Training Centre's (CETC) celebration of its 50th Jubilee in 2013, noting that CETC will close in December 2013 with its programmes to transfer to the University of the South Pacific (USP) in January 2014. In this regard, Conference commended the work of CETC over the past 50 years in empowering women in the region and acknowledged the commitment by USP to continued and improved delivery of CETC's programmes. Conference noted the recommendations of the review of the Secretariat of the Pacific Board for Educational Assessment (SPBEA), acknowledged the importance of expanding the mandate of SPBEA to encompass education quality, and agreed to establish a joint working group of members and the secretariat to further assess the optimum approach and resources required to take the recommendations forward.
- **Fisheries, Aquaculture and Marine Ecosystems Division** – Continued provision of scientific services to support the Western and Central Pacific Fisheries Commission; completion of the third and final phase of large-scale tagging operations in PNG waters, with National Fisheries Authority staff taking on increasing responsibility for the tagging cruises; work with partners in member countries to establish viable new aquaculture enterprises; and roll-out of the findings of the study on the vulnerability of Pacific fisheries to climate change.
- **Land Resources Division** – Support for agricultural and forest resource enterprises through the Increasing Agricultural Commodity Trade (IACT) project; biosecurity support through pest and disease surveys and pest management, including of invasive species; training of

para-veterinarians to help combat zoonotic diseases; conservation of agrobiodiversity through the Centre for Pacific Crops and Trees; and provision of advice on sustainable forest management.

- **Public Health Division** – Support for changes to the governance and leadership of regional health developments in association with the Quintilateral Partners; support for PICTs to continue to implement non-communicable disease (NCD) plans and strategies; preparation of a submission to the Forum Economic Ministers Meeting (FEMM) on the cost of NCDs in the Pacific region on behalf of the Quintilateral Partners; support for 12 PICTs to implement rapid testing and diagnosis for HIV; and public health surveillance and response preparedness for the 2013 Pacific Mini Games held in Wallis and Futuna.
  - **Statistics for Development Division** – Support for national counterparts to improve administrative databases and information management systems in economics, education and vital statistics; improvements in data dissemination; updating the National Minimum Development Indicators database, including expanding coverage to French and US territories; and integration of recent census results in various national Population Geographical Information System (PopGIS) systems, giving planners and policy analysts ready access to spatially referenced demographic, economic and social statistics.
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### **Strategic Engagement, Policy and Planning Facility**

13. Conference welcomed SPC's new Corporate Strategic Plan (2013 – 2015), which was developed under the leadership of the Strategic Engagement, Policy and Planning Facility (SEPPF), and its emphasis on integrated, cross-sectoral services and a new approach to mobilising additional flexible long-term sustainable funding for SPC.

14. Conference also acknowledged the work led by SEPPF to improve the joint country strategy process and supported the formation of a Joint Country Strategy (JCS) Working Group, comprising CRGA members and SPC divisions to develop a proposal for the new JCS process. Conference welcomed expressions of interest from Australia, FSM, Fiji, Kiribati, New Caledonia and RMI in participating in this working group, which is expected to begin work in early 2014.

15. Conference acknowledged SPC's continued efforts to strengthen its monitoring, evaluation and learning systems and ability to report results. Conference also welcomed the country profiles developed by SEPPF, which detail SPC's technical assistance to each island member, and the regional report, which outlines the services that SPC provides at regional level, as examples of improved reporting of results to members.

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### **Operations and Management Directorate**

16. Conference welcomed the significant steps taken by the Operations and Management Directorate in 2013 to ensure that its services (administration, human resources, finance, ICT, library, publications and translation/interpretation) meet the needs of an expanded organisation, including the appointment of a new Director of Human Resources, as recommended by the 2012 independent external review.

17. Recognising the challenges faced by the secretariat in recruitment, as well as anomalies in the salaries of CROP (Council of Regional Organisations in the Pacific) CEOs, Conference approved the establishment of a CRGA Working Group to look at these issues, in particular the appropriate salary band for the position of SPC Director-General, based on the size and scope of the role relative to CEO roles in the smaller CROP organisations, and welcomed the expressions of interest from Australia, FSM, France (former Chair of CRGA), Guam, Kiribati (Chair), New Caledonia, RMI (incoming Chair) and USA in participating in the Working Group.

18. Conference called for a post-RIF job-sizing exercise to be considered, and for the reconvening of the CROP Harmonisation Working Group (comprising member PICTs) to address anomalies in the application of remuneration harmonisation practices between participating CROP agencies and to share the findings of the CRGA Working Group.

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### **Financial year 2014 budget**

19. Conference approved a forward looking budget of 95,357,400 CFP units, comprising a core budget of 26,762,600 CFP units and project funding of 68,594,800 CFP units for financial year 2014, which reflects shifting priorities due to the 2012 independent external review.

20. Conference acknowledged the secretariat's proactive approach to building its reserve with the aim of increasing it to a level sufficient to cover 60–90 days of operation, as is the practice in similar organisations.

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### **Audit and Risk Committee Report**

21. Conference noted the report of SPC's Audit and Risk Committee and its three-year work plan (2013–2015). It further noted that the committee has appointed an international accounting firm to undertake the internal audit work described in the three-year plan.

22. Conference also acknowledged SPC's financial health as evidenced by its achievement of a clean audit report for the 17<sup>th</sup> successive year.

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### **Updating the Canberra Agreement to confirm the legal effect of previous Conference decisions and introduce provisions for other membership categories**

23. Conference approved the resolutions that would confirm the legal effect of the 1997 Conference resolution to change SPC's name from the 'South Pacific Commission' to the 'Pacific Community', and the 1983 Conference resolution granting full and equal membership to all current members of SPC.

### **Pacific Community membership policy**

24. Conference approved the resolution on extending the territorial scope of the Pacific Community to include Timor Leste to accommodate a probable request for full membership by Timor Leste.

25. Conference acknowledged the statement made by the Vice Minister of Foreign Affairs of Timor Leste, and welcomed Timor Leste's expression of interest in full membership of the Pacific Community.

26. Conference approved in principle the creation of new membership categories such as 'associate member' and 'observer' as an excellent means of enhancing engagement and organisational outreach and contributing to furthering the work of SPC on behalf of members. Conference directed the secretariat and the expanded Working Group on Membership – comprising Australia, Fiji, France, French Polynesia, Guam, Marshall Islands, New Zealand, Papua New Guinea, Samoa and the United States – to further analyse a proposed 'Pacific Community membership policy' over the course of the coming year, with the results and recommendations to be presented to CRGA 44 in 2014.

### **SPC governance arrangements**

27. Conference acknowledged the importance of further strengthening SPC's governance processes, and agreed to commission a review of these processes in 2014, funded from SPC's existing budgetary resources, with the findings and recommendations of the review to be presented to CRGA 44.

### **Review of assessed contributions and host grants**

28. Conference agreed to (i) the grouping of SPC's 22 island members into five categories with associated levels of membership contributions (noting the request from Guam to be given until after 2015 to fully consider the increase); and (ii) the target for membership contributions for SPC's founding members (noting the United States is unlikely to meet this target in the foreseeable future). Conference welcomed the confirmation by France, Papua New Guinea and New Caledonia of their agreement to the proposed levels of their respective assessed contributions.

29. Conference agreed to the target of 3 million CFP units for the country host grants and directed the secretariat to consult further with the four host countries in 2014 to agree on the distribution formula for the grants, and to share with all members the findings of the study it commissioned on economic benefits to host countries. Conference welcomed the confirmation by Solomon Islands of its agreement to a proposed host grant of 50,000 CFP units beginning in 2014.

### **Risk-resilient development: an integrated approach to managing climate, disaster and human security risks**

30. Conference acknowledged the importance of integrating the separate regional frameworks for climate change and disaster risk management (DRM) into a single regional strategy and endorsed the secretariat's efforts to support the 'roadmap' process for the development of the joint Strategy for Disaster and Climate Resilient Development in the Pacific by 2015.

### **Findings of the Pacific Plan review and possible implications for SPC**

31. Conference welcomed the secretariat's initiative in presenting a preliminary assessment of the review of the Pacific Plan, noting the report is yet to be considered and adopted. Conference noted that when it has been considered, the secretariat will further assess the possible implications of the review's recommendations for SPC's work and bring this assessment to the attention of CRGA 44, recognising that not all members of SPC are members of the Pacific Islands Forum or associated directly with the Pacific Plan.

### **Appointment of the Director-General**

32. Conference appointed Dr Colin Tukuitonga to the position of Director-General of SPC. He will take up the position on January 23, 2014.

### **Ninth Conference of the Pacific Community**

33. Conference accepted with thanks the offer from Niue to host the Ninth Conference of the Pacific Community in November 2015. As host, Niue will chair the Ninth Conference with the Vice-Chair to be confirmed at CRGA 44.





## **RECOMMENDATIONS OF THE FORTY-THIRD MEETING OF THE COMMITTEE OF REPRESENTATIVES OF GOVERNMENTS AND ADMINISTRATIONS**

1. The 43<sup>rd</sup> meeting of the Committee of Representatives of Governments and Administrations (CRGA) opened on 12 November 2013 at Vale ni Bose in Suva, Fiji. The meeting was chaired by Kiribati with Marshall Islands as Vice-Chair and was attended by representatives of the following members of the Pacific Community – Australia, Cook Islands, Federated States of Micronesia (FSM), Fiji, France, French Polynesia, Guam, Kiribati, Marshall Islands, Nauru, New Caledonia, New Zealand, Niue, Papua New Guinea (PNG), Samoa, Solomon Islands, Tokelau, Tonga, Tuvalu, Vanuatu, United States of America and Wallis and Futuna – and by observers and partners including Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ), European Union, Pacific Islands Forum Secretariat, University of the South Pacific, and United Nations agencies including the Food and Agriculture Organization, UN Children’s Fund (UNICEF), United Nations Development Programme (UNDP), UN Economic and Social Commission for Asia and the Pacific, UN Office for Disaster Risk Reduction and the World Health Organization.

### **AGENDA ITEM 2 – SECRETARIAT REPORTS**

#### **AGENDA ITEM 2.1 – DIRECTOR-GENERAL’S OFFICE**

##### **AGENDA ITEM 2.1.1 – Director-General’s overview**

2. During the eight-year term of the Director-General from 2006 to 2013, SPC’s scope, and human, technical and financial resources have more than doubled. This expansion has been largely the result of external decisions, including the implementation of the Pacific Plan and the reform of the regional institutional framework (RIF) – both complex processes that SPC had to engage with strategically to define and consolidate its place and role in the region’s development agenda. In focusing on members’ priorities, SPC has achieved many successes including ‘moving services closer to people’ through decentralising its offices; expanding partnerships with national, regional and international organisations; increasing its donor base and funding portfolio; and investing in enhancing governance within the organisation. The commissioning of the 2012 independent external review (IER) of SPC, with the approval of CRGA and Conference, and the implementation of its recommendations have strengthened the confidence of members and partners that SPC is a serious and accountable organisation, focused on achieving results. Looking forward, the challenges for SPC and the region in coming years include the need to engage in the post-2015 development agenda and the formulation of the Sustainable Development Goals that will succeed the Millennium Development Goals; ensuring sustainable financing of SPC’s work; further enhancing governance arrangements; addressing membership issues; and dealing with the secretariat’s human resources challenges.

3. CRGA agreed to recommend to the Eighth Conference of the Pacific Community that it:
- i. acknowledge the challenges faced and successes achieved by SPC during the eight-year tenure of the Director-General;
  - ii. acknowledge the outstanding contribution of Dr Jimmie Rodgers to the region and his inspirational leadership of SPC as Director-General from 2006 to 2013;
  - iii. discuss the key challenges that will require continued action by the incoming Director-General and the leadership team, including SPC’s involvement in the post-2015 development agenda, sustainable financing of SPC’s work, governance arrangements and membership issues, and the secretariat’s human resources challenges;

- iv. agree to formally accord posthumous recognition of the contribution to SPC of Mr William Forsyth, its first Secretary General, who as a member of Australia's Department of External Affairs proposed the 'South Seas Commission' in 1943 to facilitate regional cooperation in the post-war period – a vision that became the first example of regional cooperation in the Pacific;
- v. agree to establish a process to recognise meritorious service to SPC and to the region.

#### **AGENDA ITEM 2.1.2 – SPC's CORPORATE STRATEGIC PLAN AND SUSTAINABLE FINANCING OF SPC**

4. SPC's new Corporate Strategic Plan for the period 2013–2015 highlights how it proposes to do business differently over the next three years, including by prioritising services to achieve greater impact and developing more customised relationships with members. There is a strong focus on accountability, on learning, and on achieving results, including improving monitoring and evaluation systems. The plan also emphasises the unique needs of small island states. SPC will take advantage of its ability to take a cohesive approach to multi-sector challenges. In terms of sustainable financing for the plan, SPC needs to explore new approaches including further consideration of: moving project funding to multi-year and flexible funding; and full cost recovery of current programmes supplemented by targeted increases in income from country host grants and members' assessed contributions.

- 5. CRGA agreed to recommend to the Eighth Conference of the Pacific Community that it:
  - i. note SPC's intent, described in its corporate strategic plan, to do business differently during the plan period;
  - ii. acknowledge the secretariat's efforts to implement the IER recommendations on increasing SPC's core funding levels;
  - iii. consider and endorse the secretariat's approach to mobilising additional flexible long-term sustainable funding to support SPC's work;
  - iv. acknowledge with gratitude the announcement by France that it will convert a portion of its voluntary contribution to raise its assessed contribution to 2.5 million CFP units, meeting the target for 2015 one year early,
  - v. acknowledge with gratitude the confirmation by Australia that SPC should go ahead with the indicative funding figure of AUD 16 million per year in addition to ongoing projects;
  - vi. welcome the statement by New Zealand that it is continuing discussions with SPC on multi-year funding arrangements.

## **AGENDA ITEM 2.2 – PROGRAMMES DIRECTORATE REPORTS**

### **AGENDA ITEM 2.2.1 – PROGRAMMES DIRECTORATE 2013 OVERVIEW**

6. The Programmes Directorate was established in January 2013. The Deputy-Director General, Programmes, joined SPC in October 2013. Under the new structure SPC will seek to leverage its multi-sector capacity, given that stand-alone technical solutions are not enough for sustainable development. The directorate will place emphasis on programme effectiveness and enhanced resource mobilisation, including through communication of needs, mobilising human resources, achieving recognition of SPC's work in the necessary forums, and building partnerships based on trust and results. It will also include a programme support unit with skills in project design and grant preparation and a climate change coordination support team.

7. CRGA agreed to recommend to the Eighth Conference of the Pacific Community that it:
- i. note the establishment of the Programmes Directorate, which brings SPC's technical divisions together under a Deputy Director-General, Programmes;
  - ii. acknowledge the directorate's priorities for 2014 and welcome the proposed milestones it hopes to achieve;
  - iii. acknowledge the secretariat's efforts to date to strengthen monitoring and evaluation frameworks across SPC's programmes and encourage further strengthening of these systems, recognising that improved information on results is critical to achieving its plan to increase the level of programme funding.

### **AGENDA ITEM 2.2.2 – APPLIED GEOSCIENCE AND TECHNOLOGY DIVISION**

8. The Director of the Applied Geoscience and Technology Division (AGTD) took up his position in January 2013. Highlights of the division's work for the year include: the development of a disaster reduction/climate change 'roadmap' for joint approaches in the two fields; the building of a number of emergency operations centres (for example, in Federated States of Micronesia and Solomon Islands); overseeing the construction of a sand and gravel barge for Kiribati; the completion of water catchment studies for Samoa; and the rollout of the world's first template for a legal framework for deep sea minerals.

9. CRGA agreed to recommend to the Eighth Conference of the Pacific Community that it:
- i. note the outcomes of the third meeting of the Applied Geoscience and Technology Division in Cook Islands in October 2013;
  - ii. consider supporting the division's proposal to reinstate the earth science course;
  - iii. encourage the division to continue to explore ways to increase land and resource-focused geosciences, and to work on future strategic direction and priorities with donor and partner agencies, while recognising that there will always be funding challenges and that there must be no impact on meeting existing commitments;
  - iv. note the division's results and its progress towards the key result areas in its strategic plan;

- v. note the outline of the division's 2014 staffing budget and work programme.

### **AGENDA ITEM 2.2.3 – ECONOMIC DEVELOPMENT DIVISION**

10. The Economic Development Division (EDD) of SPC delivers services to members in two areas, energy and transport, the drivers of economic development. The Energy Programme's services include provision of technical, legal and policy advice on energy issues; implementation of the North-Rep project that has brought reliable renewable energy services to thousands of people in more remote areas of Marshall Islands and FSM; and provision of petroleum advisory services to PICTs, which has saved some members millions of dollars in 2013. The Transport Programme focuses on assisting countries to maintain compliance with international maritime obligations and building capacity of PICTs to meet international transport safety and security requirements and enhance services. EDD's strategic plan was revised following the transfer of the ICT programme to the University of the South Pacific in January 2013, as recommended by the independent external review of SPC in 2012.

- 11. CRGA agreed to recommend to the Eighth Conference of the Pacific Community that it:
  - i. note the work and achievements of the EDD energy and transport programmes to date;
  - ii. approve the revised EDD Strategic Plan 2013–2015.

### **AGENDA ITEM 2.2.4 – EDUCATION, TRAINING AND HUMAN DEVELOPMENT DIVISION REPORT**

12. The Education, Training and Human Development Division (ETHDD) comprises the Secretariat of the Pacific Board for Educational Assessment (SPBEA), the Human Development Programme (HDP), the Regional Rights Resource Team (RRRT) and the Community Education Training Centre (CETC). CETC, which celebrated its 50<sup>th</sup> Jubilee in 2013, will close in December 2013 with its programmes to transfer to the University of the South Pacific (USP) in January 2014. Significant events for the division during the year included the review of SPBEA as recommended by the independent external review 2012; the very successful 12<sup>th</sup> Triennial Conference of Pacific Women and the 5<sup>th</sup> Pacific Women's Ministerial Conference in October; and RRRT's support for the completion of draft bills addressing domestic violence/family violence for Kiribati, Solomon Islands and Tonga.

- 13. CRGA agreed to recommend to the Eighth Conference of the Pacific Community that it:
  - i. note the work and achievements of the Education, Training and Human Development Division in 2013;
  - ii. approve the Education, Training and Human Development Division's new strategic plan for 2014–2016;
  - iii. note the communiqués of the 5th Pacific Women's Ministerial Meeting and the 12<sup>th</sup> Triennial Conference of Pacific Women;
  - iv. acknowledge RRRT's support to members, particularly its support for legislative change addressing gender equality and violence against women;
  - v. note the recommendations of the SPBEA review, acknowledge the importance of expanding the mandate of SPBEA to encompass education quality, and agree to establish a joint working

group of members and the secretariat to further assess the optimum approach and resources required to take the recommendations forward and present its findings and recommendations to CRGA 44 for its consideration.

- vi. place on record heartfelt commendation of the work of the Community Education Training Centre (CETC) over the past 50 years in empowering women in the region and acknowledge with appreciation the commitment by the University of the South Pacific (USP) to ensure that the quality of the CETC programmes and their accessibility will be maintained and improved.

#### **AGENDA ITEM 2.2.5 – FISHERIES, AQUACULTURE AND MARINE ECOSYSTEMS DIVISION**

14. The Fisheries, Aquaculture and Marine Ecosystems Division (FAME) has developed a revised strategic plan to guide its work programme from 2013 to 2016 in consultation with Heads of Fisheries. Good progress has been made in implementing the 2013 work programme. Despite favourable review of FAME's work programme and a commitment by some development partners to move to more sustained funding, the division will face challenges related to lack of funding for key work areas in 2014/2015.

15. CRGA agreed to recommend to the Eighth Conference of the Pacific Community that it:
  - i. approve the FAME Division's revised Strategic Plan 2013–2016, noting that it has already been endorsed by Heads of Fisheries;
  - ii. note the achievements of the FAME Division in 2013;
  - iii. note with concern the problems that the division may face in delivering key services in 2014/2015, and urge the European Union and Regional Authorising Officer to consider timely support for a follow-up fisheries project under the EDF 11 regional programme; and
  - iv. note the outcomes and recommendations of the 8th Heads of Fisheries Meeting.

#### **AGENDA ITEM 2.2.6 - LAND RESOURCES DIVISION REPORT**

16. Based on the strategic framework endorsed by the 2012 Ministers of Agriculture and Forestry Meeting, and approved by CRGA 42, the Land Resources Division (LRD) has completed its new strategic plan for 2013–2017. The plan proposes a new structure for the division to move from a thematic approach to a programmatic focus consistent with other SPC divisions. Under this new structure, the division will strengthen its focus on results and its capacity to support Pacific Island countries and territories (PICTs) in the areas of policy, legislation and planning.

17. CRGA agreed to recommend to the Eighth Conference of the Pacific Community that it:
  - i. approve the draft Land Resources Division strategic plan for 2013-2017, noting it is based on the framework that was endorsed by the 2012 Meeting of Ministers of Agriculture and Forestry and approved by CRGA 42.

#### **AGENDA ITEM 2.2.7 – PUBLIC HEALTH DIVISION REPORT**

18. The year has been one of transition for PHD, with a new Director who took up his role in December 2012 and the development of a new public health strategy. The strategy focuses on

rebuilding the core public health functions within SPC and supporting PICTs to build their capacity to provide these functions. It also supports the shift of grant management from PHD to an organisation-wide system as recommended by the IER. The new PHD Strategic Plan 2013–2022 was developed after wide consultation with staff, PICT health leaders, international organisations and development partners and in response to the recommendations from the IER.

19. CRGA agreed to recommend to the Eighth Conference of the Pacific Community that it:
  - i. approve the PHD Strategic Plan 2013–2022, titled ‘Healthy Islands – Healthy People’;
  - ii. note the achievements of PHD in 2013;
  - iii. note the outcomes from the inaugural Chief Executives/Directors/Secretaries of Health (Health CEOs) Meeting and the development of the Framework for Health Development in the region;
  - iv. note the outcomes of the 10th Pacific Health Ministers Meeting outlined in the ‘Apia Communiqué’ with respect to non-communicable diseases (NCDs), the ‘Healthy Islands’ vision, and the post-2015 development agenda;
  - v. note the recommendations of the 17th Forum Economic Ministers Meeting, and the development of the NCD Roadmap for the region, to assist with the overall NCD prevention and control efforts currently underway.

#### **AGENDA ITEM 2.2.8 – STATISTICS FOR DEVELOPMENT DIVISION**

20. In 2013, the Statistics for Development Division (SDD) continued to implement a substantial work programme encompassing census and household surveys and made significant achievements in producing sectoral statistics (economics, education and vital statistics). SDD has also made improvements in data dissemination and in updating and expanding statistical coverage of its national minimum development indicator (NMDI) database to include the French and US Pacific territories. A mid-term review of Phase 1 of the Ten Year Pacific Statistics Strategy confirmed that implementation is on track, and recommended some modifications to the 2013–2014 programme, which were endorsed by the 4th Regional Conference of Heads of Statistics and Planning in July 2013.

21. CRGA agreed to recommend to the Eighth Conference of the Pacific Community that it:
  - i. note the work and achievements of the Statistics for Development Division in 2013 towards implementing Phase 1 (2011–2014) of the Pacific Statistics Strategy Action Plan and the Ten Year Pacific Statistics Strategy 2011–2020;
  - ii. note the positive mid-term review of SDD’s work in implementing Phase 1 of the Ten Year Pacific Statistics Strategy, and the endorsement of the review team’s key substantive recommendations by the 4th Regional Conference of Heads of Statistics and Planning in July 2013;
  - iii. note progress made in developing economic, vital and education statistics and efforts to assist members to improve their administrative databases and management information systems in these sectors, and current activities in developing a regional core set of climate change, disaster risk management and environmental statistics;
  - iv. recognise the opportunities and challenges identified and the role members can play in addressing some of them.

## **AGENDA ITEM 2.3 – STRATEGIC ENGAGEMENT, POLICY AND PLANNING FACILITY (SEPPF) REPORTS**

### **AGENDA ITEM 2.3.1 – SEPPF 2013 HIGHLIGHTS AND 2014 WORK PROGRAMME**

22. A new Director of the Strategic Engagement, Policy and Planning Facility (SEPPF) was appointed in February 2013. SEPPF's role includes developing corporate strategy; leading and coordinating monitoring and evaluation; coordinating the development and implementation of SPC joint country strategies (JCSs) with members; and acting as a focal point for development partners and the agencies making up the Council of Regional Organisations in the Pacific (CROP). SEPPF also houses advisory and programme staff connected with multi-sector programmes such as climate change and youth and plays a key role in leading and facilitating many of the corporate changes in SPC.

23. CRGA agreed to recommend to the Eighth Conference of the Pacific Community that it:

- i. note the focus of the Strategic Engagement, Policy and Planning Facility (SEPPF) in 2013–2014 on increasing development effectiveness, coordinating external relationships, strategic and future business planning, multi-sector coordination and advice and encouraging greater ownership of development outcomes among members;
- ii. recognise that while SEPPF has reduced the size of its staff to focus on core business, immediate budget constraints may hamper progress unless transition funding can be found and until the work on full cost recovery has an impact;
- iii. support the formation of a Joint Country Strategy (JCS) Working Group, comprising CRGA members and SPC divisions to develop a proposal for the new JCS process, noting that Australia, Federated States of Micronesia, Fiji, Kiribati, New Caledonia and Marshall Islands expressed interest in participating in this working group, which is expected to begin work in early 2014.
- iv. note the approach SPC will be taking in the youth area – that is, focusing on enhancing opportunities for engagement in youth issues within SPC's technical areas – as a possible model for work in other multi-sector areas.

### **AGENDA ITEM 2.3.2 – MANAGING FOR DEVELOPMENT RESULTS: MONITORING, EVALUATION AND LEARNING**

24. There has been a steady strengthening of monitoring, evaluation and learning (MEL) processes across SPC in the past two years, led by the Strategic Engagement, Policy and Planning Facility (SEPPF) in collaboration with divisional management and staff. Key achievements include increasing the focus on results in divisional strategic plans, country reports, and project evaluations; further roll-out of the new web-based integrated reporting information system; and promotion of cross-divisional learning events. Focus areas for 2014 include addressing the low MEL capacity in some divisions, and further refining the reporting system to improve its functionality and thus SPC's ability to report results to members and donors.

25. CRGA agreed to recommend to the Eighth Conference of the Pacific Community that it:
- i. endorse the following proposed reporting processes to enhance CRGA's ability to monitor, evaluate and learn about the effectiveness of SPC's work for members and the region:
    - a) annual CRGA reports for each member country and territory providing an overview of SPC's work during the year (similar to those produced for 2013), noting that members requested the opportunity to review the draft reports before they are published;
    - b) improved participatory JCS reviews of SPC's contribution to changes at the national level – starting with two JCS reviews in 2014 (to be determined as part of the review of JCS processes);
    - c) improved participatory reviews of the contribution of SPC's regional work – starting with two regional sector reviews in 2014;
    - d) improved results frameworks in divisional strategic plans and the Corporate Strategic Plan, which will be reported on regularly and evaluated at the end of each plan period;
  - ii. agree that progress on monitoring, evaluation and learning has been constrained by lack of resources, and that increased core/programme funding is required to improve results-focused evaluation and reporting across the organisation.

## **AGENDA ITEM 2.4 – OPERATIONS AND MANAGEMENT DIRECTORATE REPORTS**

### **AGENDA ITEM 2.4.1 – 2013 DIRECTORATE HIGHLIGHTS AND 2014 WORK PROGRAMME**

26. The new Deputy Director-General, Operations and Management took up the post in October 2013. The Operations and Management Directorate took significant steps in 2013 to ensure that the directorate's services (administration (including travel, procurement, registry and property management), human resources, finance, ICT, library, publications and translation/interpretation) meet the needs of an expanded organisation, including appointing a new Director, Human Resources, as recommended by the Independent External Review (IER) in 2012. From 1 January 2013, the managers of the decentralised offices in Federated States of Micronesia and Solomon Islands began reporting to the DDG, Operations and Management, also in response to the IER's findings. OMD is developing a new five year strategic plan which will be completed before the end of 2013 for implementation in January 2014. OMD's vision is to better serve SPC so SPC and its stakeholders can better serve the Pacific region. The directorate's overarching strategic objective is, within five years, to become an example of best practice within SPC as a whole and against the highest international standards, and it aims to benchmark its services and performance against other international organisations.

27. CRGA agreed to recommend to the Eighth Conference of the Pacific Community that it:
- i. note progress in implementing the 2013 work programme of the Operations and Management Directorate;
  - ii. approve the outline of the 2014 work programme, which includes strengthening recruitment processes and producing a comprehensive operations manual for the secretariat;
  - iii. note that a multi-year programme to further strengthen OMD is in development;



- iv. further note the commitment of the Operations and Management Directorate to be an example of best practice in providing its services in support of the Programmes Directorate and SPC as a whole, benchmarked against the highest international standards.

#### **AGENDA ITEM 2.4.2A – HUMAN RESOURCES: RECRUITMENT AND RETENTION ISSUES AND PRIORITIES FOR ACTION**

28. In 2013, there were two particularly positive advances in SPC's efforts to develop a more strategic HR function: the introduction of the online HR information system, which has acted to bridge the HR divide between SPC offices and eliminate many time-consuming processes; and the establishment in January of a dedicated recruitment unit, which has greatly improved processes for recruiting new staff. However, SPC is becoming less competitive in attracting suitably experienced staff – even in comparison to other CROP agencies – based on the level of compensation and benefits it can offer candidates. This is a particular concern because SPC's aim of providing world-class services depends on staff excellence. The current process of CROP harmonisation of salaries benefits the smaller agencies but is not working for SPC in its present form and requires strengthening to ensure that the rationale for, and principles of, harmonisation are respected and followed by member organisations, particularly in regard to the job sizes of CEO positions following the reform of the regional institutional framework and expansion of SPC. Another area of concern is the increasing proportion of international staff resigning before contract end (57% of departing staff in 2013 to date).

29. CRGA agreed to recommend to the Eighth Conference of the Pacific Community that it:
  - i. recognise the secretariat's increasing difficulty in attracting appropriately qualified and experienced staff, which, if not corrected, will undermine its capacity to provide high-quality services to members;
  - ii. note the increasing proportion of international staff resigning before contract end (57% of departing staff in 2013 to date).
  - iii. consider and approve a 2% increase in salaries for 2014, noting that this increase is funded within existing budgetary resources;
  - iv. call for a post-RIF CROP-wide review of job sizes with a particular focus on CEO roles
  - v. agree to the establishment of a CRGA working group to undertake (a) more in-depth assessment of the HR and remuneration challenges facing the secretariat, (b) consider the revised salary banding structure proposed by the secretariat to help address the serious problem it has in attracting and retaining high-quality staff, and (c) consider the appropriate salary band for the position of SPC Director-General, based on the size and scope of the position relative to CEO positions in other CROP agencies, and table its recommendations to CRGA 44, noting that Australia, FSM, France (former Chair of CRGA), Guam, Kiribati (Chair), New Caledonia, RMI (incoming Chair) and USA have expressed interest in participating in this working group.
  - vi. call for the reconvening of the CROP Harmonisation working group (comprising member PICTs) to share the findings of the CRGA working group.

## **AGENDA ITEM 2.4.2B – ANNUAL MARKET DATA REVIEW AND FISCAL YEAR 2014 SALARY SCALES**

30. The 2013 annual market data review of the three reference markets used to benchmark the salaries of CROP agencies for positions advertised internationally (the median of the Australia and New Zealand public service sectors and the upper quartile of the Fiji all organisations market) shows that salaries for SPC positions advertised internationally are lagging behind market data recommendations markets by 17%-23%, while noting salary packages include some benefits such as housing and education allowances. Current salary packages are also behind those of other CROP agencies. With remuneration levels now significantly lower than the benchmark, and lower than those of other CROP agencies, SPC is experiencing increasing difficulty in recruiting and retaining staff.

31. With regard to the 2014 salary scale for positions advertised internationally, CRGA agreed to recommend to the Eighth Conference of the Pacific Community that it:

- i. consider and approve a 2% increase effective from 1 January 2014, noting that this increase is funded within existing budgetary resources.

32. With regard to the 2014 salary scales for positions advertised locally, CRGA agreed to recommend to the Eighth Conference of the Pacific Community that it:

- i. consider and approve a 1.3% increase to the salary scale in Federated States of Micronesia effective from 1 January 2014, noting that this increase is funded within existing budgetary resources;
- ii. consider and approve a 2.2%–2.7% increase (depending on the band) to the salary scale in Fiji, effective from 1 January 2014, noting that this increase is funded within existing budgetary resources;
- iii. consider and approve a 2% increase to the salary scale in New Caledonia effective from 1 January 2014, noting that this increase is funded within existing budgetary resources;
- iv. consider and approve a 2% increase to the salary scale in Solomon Islands effective from 1 January 2014, noting that this increase is funded within existing budgetary resources.

## **AGENDA ITEM 2.4.3 – STATUS OF ASSESSED CONTRIBUTIONS AND HOST GRANTS**

33. As of 10 October 2013, 16 of SPC's 26 members had fully settled their assessed contributions to SPC and all except three made payments during the financial year. The total amount outstanding is 2,331,406 CFP units. Approximately 1.7 million CFP units (73%) of this amount are owed by just four countries. A large majority of members have made significant efforts to pay their contributions in full or in part in 2013.

34. CRGA agreed to recommend to the Eighth Conference of the Pacific Community that it:

- i. acknowledge the significant efforts made by many members to pay their assessed contributions;
- ii. request those members with outstanding contributions, in particular those with arrears, to settle these as early as possible;
- iii. request members in financial difficulties to agree on a payment plan with the secretariat.

#### **AGENDA ITEM 2.4.4 – 2012 ANNUAL ACCOUNTS, AUDIT REPORT AND AUDITOR’S MANAGEMENT LETTER**

35. The 2012 financial records for both the secretariat and the staff provident fund received unqualified audit opinions from the auditors, PricewaterhouseCoopers, New Caledonia. This is the 17th successive year that SPC has received unqualified audit reports. In their management letter, the auditors noted that in all the areas tested, internal control was effective but they made recommendations to further strengthen business controls and improve operating efficiency. All recommendations in the auditor’s management letter were accepted by the secretariat and action has been, or is being implemented.

36. CRGA agreed to recommend to the Eighth Conference of the Pacific Community that it:

- i. accept the 2012 audited financial statements as presenting a true and fair view of the financial position and financial performance of the secretariat and of its staff provident fund;
- ii. acknowledge that proper accounting records have been kept and that unqualified audit reports were received by SPC for the 17th successive year;
- iii. note the comments of the auditors in the management letter and the responses of management.

#### **AGENDA ITEM 2.4.5 – REVISION OF 2013 BUDGET**

37. The revised budget is a balanced budget that totals 108,497,800 CFP units, (core 25,840,600 CFP units; project funding 82,657,200 CFP units) in income and in expenditure. Overall, the 2013 revised budget reflected an increase of 13,776,800 CFP units, or 14.5%, compared to the original budget of 94,721,000 CFP units.

38. CRGA agreed to recommend to the Eighth Conference of the Pacific Community that it note the revised budget (core and project funding) for financial year 2013.

#### **AGENDA ITEM 3 – 2014 BUDGET**

##### **AGENDA ITEM 3.1 – FINANCIAL YEAR 2014 BUDGET**

39. The budget presented is balanced with anticipated income matching expenditure. The total of 95,357,400 CFP units comprises a core budget of 26,762,600 CFP units and project funding of 68,594,800 CFP units. The core budget makes up 28% of the total budget and project funding makes up the remaining 72%. About 43% of the 2014 core budget is directly allocated to technical divisions.

40. As per SPC’s longstanding policy, only assured funding is included in the budget and pipeline projects are not included. In addition, there is progress towards achieving the reserves target set by CRGA to be met by 2015: at the end of FY 2014, the total of all reserves is expected to be approximately 4.45 million CFP units; another 1.25 million CFP units will be required to reach the targets set for the end of FY 2015. The secretariat also proposed to take a proactive approach to building the reserve through the budget process with the aim of further increasing it to a level sufficient to cover between 60–90 days of operation, as is the practice in similar organisations.

41. CRGA agreed to recommend to the Eighth Conference of the Pacific Community that it:
- i. consider for approval the proposed budget for financial year 2014;
  - ii. welcome SPC's commitment to provide in-year reporting and a forward looking budget commencing in 2014 that reflects shifting priorities and the recommendations of the independent external review;
  - iii. acknowledge the progress update on SPC's reserves and proactive approach to building the reserve through the budget process with the aim of further increasing it to a level sufficient to cover 60-90 days of operation.

#### **AGENDA ITEM 4.1 – AUDIT AND RISK COMMITTEE REPORT**

42. The Audit and Risk Committee (ARC) has met four times since its establishment, including three meetings in 2013. The committee has approved a work programme for the internal audit function for the period 2013–2015. The three-year plan will examine the procedures used for procurement, travel, engagement of consultants, among others, to ensure they give adequate protection to the organisation. A professional audit firm, Ernst and Young, will undertake the work. The committee reviewed the external auditors' opinion on SPC's annual accounts for 2012 and noted with satisfaction that an unqualified audit opinion would be provided for the 17th successive year. The auditors' management letter commended the strong compliance culture at SPC and the ARC is satisfied that the issues raised are being addressed.

43. CRGA agreed to recommend to the Eighth Conference of the Pacific Community that it:
- i. note the ARC chair's report and acknowledge that the ARC is an important part of a stronger governance framework that will provide assurance to CRGA, as SPC's governing body, that SPC's internal controls, policies and processes are robust and that compliance with these controls is strong;
  - ii. note that the ARC has agreed to a three-year internal audit work programme and has appointed an international accounting firm to undertake the work;
  - iii. note that ARC will provide a report on the first year's outputs from Ernst and Young to CRGA 44;
  - iv. note with satisfaction that SPC's core budget is increasingly meeting the costs of the internal audit function and, by 2015, this work will be fully core funded;
  - v. in relation to SPC's role in grant management, encourage mutual accountability between members and SPC, noting the problems of some countries in adequately acquitting the funds received at the national level, specifically Global Environment Facility funds, and request the secretariat to continue pre-grant training;
  - vi. acknowledge SPC's financial health as evidenced by its achievement of a clean audit report for the 17<sup>th</sup> successive year and the confirmation by the ARC that its systems, processes and controls are robust and effective.

## **AGENDA ITEM 5 – SUBSTANTIVE POLICY AGENDA**

### **AGENDA ITEM 5.1 A – UPDATING THE CANBERRA AGREEMENT TO GIVE LEGAL EFFECT TO PREVIOUS CONFERENCE DECISIONS AND INTRODUCE PROVISIONS FOR OTHER MEMBERSHIP CATEGORIES**

44. CRGA 42 established a Working Group on Membership to explore options for expanding SPC membership. During its preliminary work on this issue, the secretariat established that further action was necessary to confirm the legal effect of the 1997 conference resolution to change SPC's name from the South Pacific Commission to the Pacific Community and the 1983 conference resolution expanding and granting full and equal membership to all current members of SPC. The membership working group advised CRGA that Conference could confirm the full legal effect of these decisions by adopting formal resolutions to that end, on the basis of sufficient state practice under international law and articles II§3 and XVIII§60 of the Pacific Community's founding treaty, the Canberra Agreement. Creation of new categories of membership, such as associate member or observer categories, would require amending the Canberra Agreement and further work on this will be undertaken by the expanded membership working group, which will present its results to CRGA 44. The United States expressed its concerns regarding this approach and the CRGA's recommendations.

45. CRGA, by a majority, agreed to recommend to the Eighth Conference of the Pacific Community that it:

- i. consider and approve the secretariat's proposal to confirm the legal effect of the 1997 Conference resolution to rename the 'South Pacific Commission' the 'Pacific Community', as proposed by the draft resolution to that effect (p. 61);
- ii. consider and approve the secretariat's proposal to confirm the legal status of current members of the Pacific Community in accordance with the 1983 South Pacific Conference resolution that expanded the membership of the Pacific Community and granted equal and full membership status to all members, as proposed by the draft resolution to that effect (p. 62);
- iii. note the secretariat's proposal as regards establishing categories of associate member and observer;
- iv. recommend that the secretariat and the expanded CRGA Working Group on Membership, comprising Australia, Fiji, France, French Polynesia, Guam, Marshall Islands, New Zealand, Papua New Guinea, Samoa and the United States, further consider the issues relating to associate membership and observer status, together with the draft Policy on Membership and Observer Status, and present a finalised proposal to CRGA 44.

### **AGENDA ITEM 5.1 B – SPC MEMBERSHIP POLICY**

46. The secretariat and the CRGA Working Group on Membership explored issues relating to full membership of the Pacific Community and concluded that the existing provisions of the Canberra Agreement were sufficiently clear on this point. CRGA agreed that, on the basis of article II§3 of the Canberra Agreement, Conference can alter, by resolution, the territorial scope of the Pacific Community, so as to accommodate requests for full membership on a case-by-case basis. The United States expressed some reservations about this approach and the recommendations related to it. CRGA agreed that this approach be adopted to accommodate a probable request for full membership by Timor Leste. On the issue of expanding membership categories, CRGA agreed that creation of new membership categories such as associate member and observer would provide an excellent means of enhancing engagement and outreach and contribute to furthering the work of SPC on behalf of members. CRGA agreed that further analysis on this work be carried forward by the expanded

Working Group on Membership over the course of the coming year with the results and its recommendations to be presented to CRGA 44 in 2014.

47. CRGA, by a majority, agreed to recommend to the Eighth Conference of the Pacific Community that it:
- i. Formally endorse the approach suggested regarding full membership of the Pacific Community;
  - ii. consider and approve the draft resolution presented to make a provision to accommodate a possible request by Timor Leste for membership and the associated approach to complete the process (p. 63);
  - iii. note the work in progress on developing a Policy on Membership and Observer Status of the Pacific Community, including participatory rights;
  - iv. agree that the secretariat and the Working Group on Membership should further develop the Policy on Membership and Observer Status of the Pacific Community and present a finalised proposal to CRGA 44.

#### **AGENDA ITEM 5.2 – SPC GOVERNANCE ARRANGEMENTS – A POLICY DISCUSSION PAPER**

48. The governing structure of SPC comprises (i) the Conference of the Pacific Community, which meets every two years; (ii) the Committee of Representatives of Governments and Administrations (CRGA), a ‘committee of the whole of conference’, which meets annually; and (iii) the Audit and Risk Committee, a standing committee of CRGA established in 2011. The 2012 independent external review (IER) of SPC considered that the value of the role of CRGA and Conference in SPC’s governance could be strengthened, especially following the extended period of expansion and reform of SPC. The same view was expressed by some members during consultations on the SPC corporate strategic plan for 2013–2015 and this strengthening is one of the plan’s objectives. It was proposed that CRGA consider commissioning a review of SPC’s governance arrangements in 2014 and make recommendations on how they might be strengthened. The importance of delineating CRGA’s roles of ‘governance of the organisation’ and ‘governance of SPC’s technical work programme’ was noted, recognising that regional sectoral meetings of ministers and department heads play a role in identifying and agreeing on the regional priorities that each of SPC’s technical divisions should focus on in their work programmes.

49. CRGA agreed to recommend to the Eighth Conference of the Pacific Community that it:
- i. discuss the importance of further strengthening SPC’s governance processes, including through clear delineation of the governance of organisational functions and governance of programmatic functions, both of which are currently undertaken by CRGA; and
  - ii. agree to commission a review of SPC’s governance processes in 2014, funded from SPC’s existing budgetary resources, with the findings and recommendations of the review to be presented to CRGA 44 in 2014.

## AGENDA ITEM 5.3 – REVIEW OF ASSESSED CONTRIBUTIONS AND HOST GRANTS

50. The triennial review of assessed contributions and host grants considered both absolute and relative levels of contributions and took into account changes in island members' economic capacities since the last review in 2006. It was guided by the approved Independent External Review (IER) recommendation to rebalance SPC's core budget over time. The secretariat also commissioned an independent study, as approved by CRGA 42, to estimate the economic benefits of SPC's presence to its host countries: New Caledonia, Fiji, Federated States of Micronesia (FSM) and Solomon Islands. The secretariat undertook to make this report available to all members. In relation to host grants, in recognition of the benefits all host countries receive from SPC's presence, it was suggested that such grants be introduced for FSM and Solomon Islands, which agreed with the need to better position SPC financially. Fiji, New Caledonia and FSM will review the findings of the independent study before making commitments on the proposed increase in host grants. New Caledonia also indicated it would welcome a rebalancing of SPC's programmes between the Suva regional office and headquarters, as highlighted in the IER review. With regard to the level of assessed contributions by founding and island members for next year, no major changes were suggested except for additional contributions by New Caledonia and PNG, which have by far the largest economies in the region. Guam, French Polynesia and Fiji are in category 2. CRGA noted the request from Guam to further review its ability to pay the higher contribution after 2015. Members were very positive in their responses to the suggested increases. Papua New Guinea advised the meeting it has accepted the proposed increase and will include it in its 2014 contributions. New Caledonia advised the meeting it was supportive of the proposed increase and further advised it would come from within New Caledonia's current overall funding assistance to SPC. Solomon Islands informed the meeting it agreed with the proposed host country grant allocation and will also try to have it starting in 2014. There was also a proposal to agree on a target for the assessed contributions by three of the four founding members (France, New Zealand and USA) of 2,500,000 CFP units to be achieved by financial year 2015, in order to help achieve the IER's key objective of rebalancing SPC's core budget, noting that this needs to be further discussed with the founding members in 2014. CRGA welcomed the announcement by France on its agreement regarding the 2,500,000 CFP unit target and further that it will commence its contribution at this new level in 2014. The United States advised it will await the secretariat's proposals and consider them but does not see an increase as possible at this point. New Zealand agreed in principle to the rounding up of 2014 contributions and does not rule out a further increase to the proposed target at this point, noting ongoing discussions with the secretariat.

51. With regard to assessed contributions by founding members, CRGA agreed to recommend to the Eighth Conference of the Pacific Community that it:

- i. consider and note, as appropriate, the secretariat's proposal concerning assessed contributions by founding members, that from financial year 2015 Australia pay 3.2 million CFP units and the other three members pay 2.5 million CFP units each (total of 10.7 million CFP units);
- ii. note that discussions with the founding members about such increases in their assessed contributions continue; and
- iii. pending the outcome of those discussions, approve the following essentially unchanged (but rounded) contribution levels to become effective from fiscal year 2014.

Australia	3,200,000 CFP units
France	2,500,000 CFP units
New Zealand	2,050,000 CFP units
<u>USA</u>	<u>1,417,665 CFP units</u>
Total	9,167,665 CFP units

52. With regard to assessed contributions by island members, CRGA agreed to recommend to the Eighth Conference of the Pacific Community that it:

- i. maintain the current approach of grouping island members in accordance with their government recurrent expenditure; and
- ii. assign country groups and contribution amounts (totalling 2 million CFP units) to the five groups as follows.

Group 1: 360,000 CFP units	Group 2: 130,000 CFP units	Group 3: 63,000 CFP units	Group 4: 52,000 CFP units	Group 5: 42,000 CFP units
New Caledonia Papua New Guinea	Fiji French Polynesia Guam	American Samoa Federated States of Micronesia Northern Mariana Islands Samoa Solomon Islands Vanuatu	Cook Islands Kiribati Marshall Islands Palau Tonga	Nauru Niue Pitcairn Islands Tokelau Tuvalu Wallis and Futuna

53. With regard to assessed contributions of countries that have access to SPBEA services, CRGA agreed to recommend to the Eighth Conference of the Pacific Community that it:

- i. note that the SPBEA contributions currently paid by member countries that are receiving SPBEA services will be added to the respective country's assessed contribution at current levels: 23,600 CFP units (Fiji, Samoa, Solomon Islands, Tonga and Vanuatu), 17,300 CFP units (Kiribati) and 13,100 CFP units (Nauru, Tokelau and Tuvalu).

Member	Assessed contribution prior to adding SPBEA contribution in CFP units	SPBEA contribution added in CFP units	Grand total following inclusion of SPBEA contribution in CFP units
Fiji	130,000	23,600	153,600
Samoa	63,000	23,600	86,600
Solomon Islands	63,000	23,600	86,600
Vanuatu	63,000	23,600	86,600
Tonga	52,000	23,600	75,600
Kiribati	52,000	17,300	69,300
Nauru	42,000	13,100	55,100
Tokelau	42,000	13,100	55,100
Tuvalu	42,000	13,100	55,100

54. With regard to host grants, CRGA agreed to recommend to the Eighth Conference of the Pacific Community that it:

- i. note that the preliminary results of the independent study confirm that host countries receive significant economic benefits from the presence of SPC and request the secretariat to make the report available to all members;



- ii. approve the introduction of host grants for Federated States of Micronesia and Solomon Islands;
- iii. acknowledge that the secretariat proposed to increase the host grant to 3,000,000 CFP units to be achieved by fiscal years 2015/2016 and note that the secretariat will consult with the four host countries on the allocation, further noting that Solomon Islands and Federated States of Micronesia have agreed to their inclusion in this group, and welcome the confirmation from Solomon Islands that it will make an annual host grant of 50,000 CFP units;
- iv. Agree to maintain the current host grants for New Caledonia and Fiji at the rounded amounts of 60,000 CFP units and 40,000 CFP units, respectively, for fiscal year 2014.

**AGENDA ITEM 5.4 – RISK-RESILIENT DEVELOPMENT: AN INTEGRATED APPROACH TO MANAGING CLIMATE, DISASTER AND HUMAN SECURITY RISKS**

55. Pacific Island countries and territories (PICTs) are vulnerable to natural hazards related to climate, geology (e.g. earthquakes, tsunami), invasive species and disease. SPC is working with numerous partners to support PICTs in addressing these hazards, which pose high risks to people’s security – for their water and food security, environment, health, economic infrastructure and cultural and social institutions. Current work on integrating the separate regional frameworks for climate change and disaster risk management (DRM) into a single strategy for climate and disaster resilient development by 2015 will reduce the potential for duplication of work and the burden on national technical staff; ensure policy consistency and coherence; and be more cost effective. Many PICTs are already integrating these two areas of work in joint national action plans for DRM and climate change and are taking multi-sector approaches; for example, the Choiseul Province initiative in Solomon Islands, which involves all levels of community and government, and the Abaiang Island initiative in Kiribati. In addition, PICTs are engaged in several important international forums on responses to climate change and disaster risk management.

56. CRGA agreed to recommend to the Eighth Conference of the Pacific Community that it:
- i. note that climate change and natural hazards including invasive species pose significant risks to Pacific people and to achieving the sustainable development objectives of Pacific Island countries and territories;
  - ii. endorse the secretariat’s efforts to integrate climate change and disaster risk management through the ‘roadmap’ process for the development of the Strategy for Disaster and Climate Resilient Development in the Pacific by 2015;
  - iii. commend the efforts being made at national level by Pacific Island countries and territories to understand and manage climate change and disaster risks and engage in relevant international forums;
  - iv. commend the secretariat’s efforts to enhance its capacity to contribute more effectively to climate and disaster resilient development in the region and thank the development partners that fund the work;
  - v. express gratitude to the Premier of Choiseul Province for presenting the Choiseul Province initiative and the benefits of this people-led, community-based multi-sector, multi-partner approach.

## **AGENDA ITEM 5.5 – ENHANCING SPC’S ENGAGEMENT IN THE INTERNATIONAL AND REGIONAL DEVELOPMENT AGENDA**

57. PICTs have an important opportunity to engage with strength in the post-2015 development agenda. At a regional level, the Pacific Plan review is proposing a successor ‘framework for advancing regionalism’. Samoa will host the Third International Conference on the Sustainable Development of Small Island Developing States (SIDS) in September 2014 with the theme ‘Sustainable Development of SIDS through genuine and durable partnerships’ and France has proposed to host the 21<sup>st</sup> Conference of the Parties to the UN Framework Convention on Climate Change in 2015, with the objective of reaching a comprehensive and effective agreement. At the global level, the process of developing Sustainable Development Goals (SDG) to succeed the Millennium Development Goals (MDGs) is underway and the region is engaging in this process. CRGA highlighted the importance of a coordinated approach that is inclusive and focused on clear priorities for the region. SPC is committed to supporting all its island members to position themselves to engage strategically in the post-2015 development agenda through its analytical work, technical assistance and development of standards and norms relevant to the Pacific region that could be considered as indicators for some of the SDGs.

58. CRGA agreed to recommend to the Eighth Conference of the Pacific Community that it:
- i. note that the global process for developing the post-2015 development goals has begun;
  - ii. seize the opportunity to present a strong regional position, including through developing and launching concrete partnerships, to ensure lasting and meaningful outcomes; that address priorities critical to the Pacific Islands region, such as their ocean resources, are considered by the *Third International Conference on the Sustainable Development of Small Island Developing States (SIDS)* in September, 2014;
  - iii. advocate strongly for greater coherence and convergence of the existing parallel processes to agree on one common set of development goals after 2015;
  - iv. acknowledge the secretariat’s efforts to provide effective support to all island members to assist them in their efforts to engage in the post-2015 development agenda.

## **AGENDA ITEM 5.6 – FINDINGS OF THE PACIFIC PLAN REVIEW AND POSSIBLE IMPLICATIONS FOR SPC**

59. The recently released Pacific Plan review proposes ‘a new framework for Pacific integration’. Its findings have yet to be discussed or adopted by Pacific leaders. While the sovereignty of SPC’s governing body is explicitly recognised, some aspects of the proposed framework may have implications for SPC’s work, although not all members of SPC are members of the Pacific Islands Forum or associated with the Pacific Plan or its services.

60. CRGA agreed to recommend to the Eighth Conference of the Pacific Community that it:
- i. note the update on the preliminary findings and recommendations of the Pacific Plan review;
  - ii. note that the role of other organisations and the sovereignty of their governing bodies, as well as the SPC governing body, is explicitly recognised;

- iii. further note that when the final report is released, the secretariat will if necessary provide a brief with specific responses to review recommendations that may have implications for SPC's work.

#### **AGENDA ITEM 6 – STATEMENTS FROM OBSERVERS**

61. CRGA acknowledged with interest and appreciation the statements made by the following observers and partners: GIZ, University of the South Pacific, and United Nations agencies including UNDP, UN Children's Fund (UNICEF), UN Office for Disaster Risk Reduction, and the Food and Agriculture Organization (statement handed to the secretariat).

#### **AGENDA ITEM 7 – RECRUITMENT OF THE DIRECTOR-GENERAL**

62. This agenda item was discussed in camera. CRGA's recommendation to the Conference will be made in a letter from the Chairperson of CRGA to the Chairperson of Conference.

#### **AGENDA ITEM 8 – CRGA 44: VENUE, CHAIRPERSON AND VICE-CHAIRPERSON**

- 63. CRGA agreed to recommend to the Eighth Conference of the Pacific Community that it:
  - i. note that the venue for the meeting of CRGA 44 in 2014 will be Noumea, New Caledonia, and that members will be advised in due time of the meeting dates;
  - ii. note that the Chairperson for CRGA 44 will be provided by Marshall Islands and the Vice-Chairperson by Nauru.

#### **AGENDA ITEM 9 – OTHER BUSINESS**

64. Niue asked the Chair of CRGA to write to the Chair of Conference, and to individual governments, praising the leadership of Dr Rodgers and thanking him for his contribution to SPC and the region.

65. With the support of the meeting, the Chair agreed to the writing of the letter.

#### **AGENDA ITEM 10 – ADOPTION OF CRGA DECISIONS**

66. CRGA adopted its decisions.





**SECRETARIAT OF THE PACIFIC COMMUNITY**

**FORTY-THIRD MEETING OF THE  
COMMITTEE OF REPRESENTATIVES OF GOVERNMENTS AND ADMINISTRATIONS**  
(Suva, Fiji, 12–15 November 2013)

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**AGENDA ITEM 5.1 A - SPC MEMBERSHIP POLICY**

(Paper presented by the Secretariat)

**AMENDED RESOLUTIONS**

**RESOLUTION CONFIRMING THE DECISION TO CHANGE THE  
SOUTH PACIFIC COMMISSION'S NAME TO THE PACIFIC COMMUNITY**

The Conference of the Pacific Community,

Wishing to acknowledge the 1997 decision of the 37th Conference of South Pacific Commission to change the organisation's name from 'the South Pacific Commission' to 'the Pacific Community',

Considering the generalised recognition and use of 'the Pacific Community' by members, stakeholders and partners in the international community,

Noting that this recognition and use has been systematically and continuously observed over the last 16 years, Has resolved the following:

1. In 1997, the members of the Pacific Commission decided to rename the 'South Pacific Commission' the 'Pacific Community';
2. As a consequence, the Pacific Community is the same entity as that established by the Canberra Agreement;
3. The continued reference by the participating governments, stakeholders and partners to the Pacific Community is evidence of state practice in applying this decision;
4. This decision also had the effect of renaming the 'South Pacific Conference' as the 'Conference of the Pacific Community'.

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**RESOLUTION RECOGNISING THE LEGAL STATUS  
OF CURRENT MEMBERS OF THE PACIFIC  
COMMUNITY**

The Conference of the Pacific Community,

Accepting the 1983 Resolution of the 23<sup>rd</sup> South Pacific Conference (Saipan Resolution) that expanded the membership of SPC to include all current members including some countries and territories that had not at the time individually acceded to the Canberra Agreement,

Wishing to acknowledge the legal status of all current members of the Pacific Community, in particular those that had not individually acceded to the Canberra Agreement prior to the 1983 Resolution,

Resolves as follows,

1. For the last 30 years, the countries and territories mentioned in the 1983 Saipan Resolution have been systematically and uniformly accepted as full members of the Pacific Community by all other members of the Pacific Community, by the Secretariat and by the Pacific Community's international partners and donors.
2. This basis constitutes sufficiently dense state practice to confirm that the Saipan Resolution constituted an amendment to the Canberra Agreement by which the countries named in that Resolution became full members of the Pacific Community;
3. The Saipan Resolution and resulting state practice evidenced an agreement amongst the participating Governments to amend the Canberra Agreement to the extent required to enable those countries named in the Resolution as participating Governments to accede to the Canberra Agreement without the need to comply with the terms of Article XXI§66 of the Canberra Agreement. The absence of any demurral from this process in the intervening period is evidence of this agreement;
4. All such members have been members of the Pacific Community and bound by the provisions of the Canberra Agreement since the Saipan Resolution.
5. This amendment does not affect the accession obligations of other prospective participating Governments, who must comply with the terms of Article XXI§66.



**SECRETARIAT OF THE PACIFIC COMMUNITY**

**FORTY-THIRD MEETING OF THE  
COMMITTEE OF REPRESENTATIVES OF GOVERNMENTS AND ADMINISTRATIONS**  
(Suva, Fiji, 12–15 November 2013)

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**AGENDA ITEM 5.1 B - AMENDED RESOLUTION**

(Paper presented by the Secretariat)

**RESOLUTION ON EXTENDING THE TERRITORIAL SCOPE OF THE PACIFIC  
COMMUNITY TO INCLUDE TIMOR LESTE**

The Conference of the Pacific Community,

Recognising Timor Leste's interest in becoming a participating Government in the Pacific Community,

Noting that the provision under article II (3) of the Canberra Agreement, which states ...'*The territorial scope of the Community may be altered by agreement of all the participating Governments*', provides the mechanism to address this,

Noting that, pursuant to Article II(3), all of the participating Governments to the Canberra Agreement have agreed to the expansion of the territorial scope to include Timor Leste, by affirmatively endorsing such expansion at the 8th Conference of the Pacific Community, held in Suva, Fiji, from 18 to 19 November 2013,

Resolves as follows:

On extending the territorial scope of the Pacific Community to include Timor Leste

1. Timor Leste has long-standing cultural and historical ties with the Pacific;
2. Timor Leste has, through its contact with both the Secretariat of the Pacific Community and some members of the organisation, demonstrated that it shares the same vision and development aspirations and has the will and the capacity for substantive engagement with its Pacific neighbours in pursuit of sustainable development for the region;
3. In light of the above, the territorial scope is expanded to include Timor Leste in line with Article II§3 of the Canberra Agreement;
4. To enable participating Governments to complete appropriate domestic processes, this agreement to expand the territorial scope of the Pacific Community will enter into force upon the expiry of a period of one year from the date of this resolution, provided no participating Government lodges a written objection with the depositary (Government of Australia) prior to this date;
5. Should Timor Leste lodge a formal request for membership, the participating Governments may invite it to become a member of the Pacific Community after expiry of the one year period mentioned at point 4 above;
6. Should Timor Leste wish to take up this invitation, it should be considered a participating Government upon completion of the procedure outlined in article XXI-66 of the Canberra Agreement.







## DECISIONS OF CRGA 42

1. The 42<sup>nd</sup> meeting of the Committee of Representatives of Governments and Administrations (CRGA) opened on 12 November 2012 at SPC headquarters in Noumea, New Caledonia. The meeting was chaired by France with Kiribati as Vice-Chair and attended by representatives of the following members of the Pacific Community – American Samoa, Australia, Cook Islands, Federated States of Micronesia, Fiji, France, French Polynesia, Kiribati, Marshall Islands, Nauru, New Caledonia, New Zealand, Niue, Northern Mariana Islands, Papua New Guinea, Samoa, Solomon Islands, Tonga, Tuvalu, Vanuatu, United States of America and Wallis and Futuna – and by observers from the European Union, Pacific Islands Forum Secretariat, Pacific Leadership Program, Secretariat of the Pacific Regional Environment Programme and University of the South Pacific.

### AGENDA ITEM 2 – DIRECTOR-GENERAL’S REPORT SERIES

#### **AGENDA ITEM 2.1 – DIRECTOR-GENERAL’S 2012 OVERVIEW REPORT and AGENDA ITEM 2.2 – HIGHLIGHTS OF THE 2012 WORK PROGRAMME**

2. The Director-General reported on the status of implementation of the key decisions taken by CRGA 41 and the 7th Conference of the Pacific Community in 2011 and described selected highlights of the 2012 work programme, noting that the independent external review (IER) provided a platform for reforms that will further strengthen SPC’s foundation for the future and its role in the Pacific development agenda. The secretariat is working towards implementing a comprehensive monitoring and evaluation framework that will enable SPC to provide detailed information on the results of its services to members and their contribution to national and regional development outcomes. The meeting discussed the value of the joint country strategy approach in aligning programmes to national priorities and contributing to achieving development outcomes.

3. CRGA:
- i. acknowledged the secretariat’s achievement of the key milestones set by CRGA 41 and the 7th Conference of the Pacific Community for SPC in 2012;
  - ii. noted the work and achievements of the Strategic Engagement, Policy and Planning Facility;
  - iii. noted the work and achievements of the Operations and Management Division;
  - iv. welcomed the improving situation in relation to arrears in assessed contributions and urged members with outstanding arrears to agree on a schedule with the secretariat to settle them as soon as possible; and
  - v. recognised the value of implementing an enhanced recruitment process for executive-level positions at SPC.

#### **In relation to the work of SPC’s technical divisions, CRGA:**

- vi. accepted the reports by the technical divisions on their work in 2012 and commended them on their excellent work and achievements;
- vii. endorsed the divisional work programmes for 2013;
- viii. noted the secretariat’s intention to continue moving toward ‘country by country results-based reporting’ commencing with its reports to CRGA 43 in 2013;
- ix. noted the secretariat’s intention to build on the STAR (Science, Technology and Resources Network) meeting concept and expand its coverage to include other divisions of SPC;
- x. noted the outcomes of the 2012 meeting of Pacific Ministers of Agriculture and Forestry;
- xi. noted the outcomes of the 2012 meeting of the Applied Geoscience and Technology (SOPAC) Division;

- xii. noted the outcomes of the internal review of the Fisheries, Aquaculture and Marine Ecosystems (FAME) strategic plan, the minor revisions to objectives that have been approved by Heads of Fisheries, and the indicators now used to measure progress;
- xiii. noted that the Public Health Division will develop a new strategic plan in 2013;
- xiv. noted progress made by the Statistics for Development Programme during 2012 in developing economic, vital and education statistics and sectoral statistics, and efforts being made to assist Pacific Island countries, and territories starting in 2013, to improve their administrative databases and management information systems in key sectors.

### **AGENDA ITEM 2.3 – IMPLEMENTATION OF THE RECOMMENDATIONS OF THE INDEPENDENT EXTERNAL REVIEW**

- 4. The meeting considered the outcomes of the Special Session of CRGA which met in August 2012 to deliberate on the recommendations of the independent external review (IER) of SPC.
- 5. CRGA:
  - i. confirmed the outcomes of the Special Session of CRGA held in August 2012;
  - ii. commended the secretariat on its positive response to the review's findings and recommendations;
  - iii. noted the good progress made in implementing the recommendations of the IER in 2012 and further noted the outputs expected to be achieved in 2013;
  - iv. acknowledged that successful implementation of all the recommendations will require funding at the new level recommended by the IER to be provided within the stated timeframe;
  - v. commended Pacific Island members for agreeing to increase the total of their collective assessed contribution by 500,000 CFP units in SPC's 2013 financial year, and commended SPC's host members for agreeing to work with the secretariat in 2013 on the host grant issue;
  - vi. thanked SPC's metropolitan members for their willingness to consider various funding modalities including an increase in their assessed contributions and conversion of programme or voluntary funding and project funding to help the secretariat reach the proposed new core funding level of 35 million CFP units by 2015.

### **AGENDA ITEM 2.3.1 – REPORT FROM THE CHAIR OF THE CRGA AUDIT COMMITTEE**

- 6. The newly established CRGA Audit Committee met for the first time on 19 October 2012 at SPC headquarters in Noumea and reviewed the charters approved by CRGA 41 and the 7<sup>th</sup> Conference. Some aspects of the charters will be modified to bring them into line with best practice.
- 7. CRGA:
  - i. approved the change in the name of the committee to CRGA Audit and Risk Committee;
  - ii. approved the appointment of the Director-General of SPC as an ex officio member of the committee;
  - iii. noted the formal establishment of the full committee on 9 October 2012;
  - iv. approved the change in the tenure of committee members to three years, covering the full calendar year cycle, noting that the term of the first committee commenced in October 2012 and will conclude on 31 December 2015;
  - v. agreed that the chair will be independent and will report directly to the chair of CRGA; and
  - vi. directed the secretariat to make the necessary modifications to the text of the Audit Committee Charter to reflect the decisions as approved by CRGA.

**AGENDA ITEM 2.4** – *Discussion of Paper 2.4 was deferred until after agenda item 6.2*

**AGENDA ITEM 3 – REGIONAL ENGAGEMENT**

**AGENDA ITEM 3.1 – MAXIMISING BENEFITS FROM OUR OCEAN**

8. SPC provides scientific support for the responsible use and conservation of the Pacific Ocean. SPC programmes are increasingly taking a cross-cutting approach to ocean issues, working together and with partners, to help members achieve sustainable benefits, including in fisheries, maritime transport, establishment of maritime boundaries and potential exploitation of deep-sea minerals.

9. CRGA:

- i. commended the collaborative work of SPC divisions and other partners in providing world-class scientific support to address ocean issues;
- ii. encouraged the development and strengthening of existing work and emerging new working partnerships internally and externally;
- iii. supported SPC's continuing lead role in the Marine Sector Working Group, given the multi-disciplinary work across the divisions; and
- iv. supported the establishment of a small ocean policy unit to progress the necessary coordination work with global, regional and national partners.

**AGENDA ITEM 3.2 – UNLOCKING THE DEVELOPMENT POTENTIAL OF LAND AND LAND-BASED RESOURCES**

10. The meeting discussed the importance of land and land-based resources in providing livelihoods and food security for Pacific Island people and the sensitivity of the strong connection between land, including land ownership, and culture. The pressures that population growth, intensive cultivation, deforestation, unsustainable mining and mineral resource use, climate change and natural disasters are putting on these resources were noted. The meeting further discussed the role of land-use planning and land zoning in achieving sustainable development of agriculture and forestry resources and in providing for uses such as tourism, industry and mining, and SPC's efforts to support members in developing relevant policy and frameworks.

11. CRGA:

- i. noted the challenges that Pacific Island countries and territories face in developing their land and land-based resources; and
- ii. recognised SPC's work in support of land use planning, and its engagement in strengthening the policy and legislation frameworks needed to undertake such planning at national level.

**AGENDA ITEM 3.3 – PROVISION OF CLIMATE CHANGE RELATED SERVICES**

12. The secretariat stressed the need for coordination between all partners involved in supporting the region's responses to the emerging impacts of climate change, while recognising SPREP's lead role in the sector. SPC is increasingly adopting programmatic approaches encompassing various project activities across multiple sectors, but for this approach to succeed, governments, regional organisations and development partners must be willing to work in partnership.

13. CRGA:

- i. noted that an integrated, multi-sectoral approach to climate change adaptation offers many advantages, including the potential to enable countries to more effectively absorb increased flows of climate change resources and also reduce the management and coordination burden they currently face;
- ii. welcomed SPC's integrated 'one-team' approach as an effective service delivery model for addressing climate change and noted that the secretariat will continue to work with members to develop national-level multi-sector programmatic approaches;

- iii. encouraged development partners to support the move towards programmatic approaches to providing climate change support to countries and territories and to partner with others to jointly fund integrated, sector-wide adaptation programmes; and
- iv. noted that a range of potential climate change financing modalities are emerging that may be suitable for funding such approaches, such as direct budget support at the sector/national level, and national trust funds.

### **AGENDA ITEM 3.4 – REDUCING AND MANAGING RISKS FOR BETTER DEVELOPMENT OUTCOMES**

14. Recognising the vulnerability of Pacific Island countries and territories (PICTs) to risks, not just from climate change but across all aspects of day-to-day business, the secretariat outlined the need to develop better understanding of risks by measuring and monitoring them over time; to share the resulting knowledge with communities; and to provide integrated multi-sectoral solutions based on technical and scientific information.

15. CRGA:

- i. agreed that PICTs, with the support of SPC, need to take serious steps to integrate risk management analysis and planning approaches into all aspects of their development planning strategies;
- ii. strongly encouraged PICTs, with the support of SPC, to approach risk management in development by determining the level at which risk becomes unacceptable to their communities and basing the development of response strategies on this; and
- iii. directed SPC to continue to provide well-informed, inclusive and integrated technical information to members to help them address risks at all levels and across their whole development agenda.

### **AGENDA ITEM 3.5 – ACHIEVING BETTER HEALTH OUTCOMES**

16. The prevalence of non-communicable diseases (NCDs) in Pacific populations has reached crisis point and SPC has strongly supported regional and national efforts to reduce the incidence of both these diseases and communicable diseases in Pacific populations. Acknowledging that a multi-sectoral approach is required to achieve improved health outcomes, SPC places emphasis on addressing the wider determinants of health, including political, economic, cultural and social determinants, and – inside the health sector – continues to provide support for strengthening health systems and improving the efficiency and effectiveness of health interventions and health surveillance systems. The Public Health Division's new strategic plan, to be developed in 2013, will include a multi-sectoral approach and will also consider the positioning of programme resources.

17. CRGA:

- i. noted that the health sector in many PICTs is under-resourced and they struggle to provide effective, high-quality health services to their populations;
- ii. acknowledged that many solutions exist outside the health sector and encouraged governments and administrations to consider a 'whole of government, society, country' approach to achieve better health outcomes, including devoting sufficient resources to health; and
- iii. welcomed the intention of the Public Health Division to focus its new strategic plan on addressing both the non-health and health interventions that will help PICTs achieve better health outcomes.

### **AGENDA ITEM 3.6 – PUTTING A HUMAN FACE TO DEVELOPMENT**

18. SPC supports a people-centred approach to achieving sustainable development outcomes through its programme interventions, including mainstreaming gender and youth issues across divisions and programmes. The meeting discussed the critical importance of gender equality in sustainable development and acknowledged Australia's generous support of this goal as well as its support for those living with disability.

19. CRGA:
- i. agreed on the importance of putting the human face at the centre of all development planning and the benefits of including this focus in national strategic planning processes within government; and
  - ii. noted SPC's intention to provide members with information and other analytical support to enable informed decision-making on integration of the human face in development work.

### **AGENDA ITEM 3.7 – TRACKING DEVELOPMENT PROGRESS**

20. The content and functionality of SPC's National Minimum Development Indicator (NMDI) database has been expanded to provide data users with easy access to development statistics and indicators across key sectors, as asked for by Pacific Leaders in the Pacific Plan. There are several issues constraining regular production of quality and timely statistics. The steps proposed to broaden the scope and use of the SPC NMDI database include attempting to fill existing data gaps, expanding geographic coverage including MDG indicators in territories, addressing emerging demands for cross-sectoral indicators, e.g. in food security and climate change, and training users to use the system.

21. CRGA:
- i. recognised that the National Minimum Development Indicator (NMDI) database provides a valuable resource for members; and
  - ii. acknowledged the collaborative work undertaken by SPC's Statistics for Development Programme, its sister divisions and other key technical and financial partners in seeking a sustainable future for evidence-based policy development, planning and tracking of development, based on high-quality, real-time statistics and indicators.

### **AGENDA ITEM 3.8 – MEASURING ORGANISATIONAL PERFORMANCE**

22. In 2012, SPC has progressively rolled out a new corporate monitoring and evaluation (M&E) framework to enhance management for development results and improve accountability reporting to members and donors. An online integrated reporting information system (IRIS) being developed by the secretariat will provide an interface for accessing M&E information. The meeting discussed the potential benefits of the framework in supporting organisational effectiveness, the need for robust M&E plans to be attached to divisional and programme plans, and the need for the framework to be linked to the joint country strategies. The benefit of both qualitative and quantitative reporting in building a more complete picture of impact at national level was also discussed.

23. CRGA:
- i. emphasised the importance of M&E and directed the secretariat to further strengthen M&E and results-focused reporting;
  - ii. commended the progress made by the secretariat in implementing its corporate M&E framework;
  - iii. acknowledged that the M&E framework is a significant step towards meeting CRGA's needs in terms of results-focused reporting;
  - iv. noted that sustainable resources were required to fully implement the corporate M&E framework across the organisation within the timeframe envisaged.

### **AGENDA ITEM 4 – CORPORATE PLAN 2013 – 2017**

24. The secretariat presented the draft corporate plan for 2013–2017, which will succeed the current plan for 2007–2012. The plan incorporates the strategic direction recommended by the independent external review and endorsed by CRGA 42, including the need to focus on an M&E framework that meets the needs of members and development partners for results-based reporting. It takes into account the changes that have occurred in the organisation during the life of the current plan, including the reform of the regional institutional framework (RIF), which expanded the scope and coverage of SPC's work, and its increasing role in addressing cross-cutting priorities such as food security and climate change. The new plan provides a

basis for establishing clear linkages between SPC's joint country strategies, divisional plans, budget and M&E framework.

25. CRGA:
- i. noted the secretariat's request for members to provide changes, modifications or additions to be incorporated in the plan by Monday, 7 January 2013;
  - ii. endorsed the draft corporate plan 2013–2017 in principle, noting the secretariat's intention to conduct further consultation with SPC members, staff and other stakeholders following CRGA 42;
  - iii. directed the secretariat to circulate the final draft of the new corporate plan for 2013–2017 to members in early 2013 for their final review and approval out of session.

#### AGENDA ITEM 5 – POLICY ISSUES EMANATING FROM THE INDEPENDENT EXTERNAL REVIEW

##### **AGENDA ITEM 5.1 – DECENTRALISATION OF SPC OFFICES AND SERVICES**

26. The secretariat has implemented the instructions of the 2005 Conference by decentralising its operations and does not plan further decentralisation at present.
27. CRGA:
- i. noted that decentralisation has advantages and disadvantages as well as costs;
  - ii. further noted the secretariat's view that it has fully implemented the direction of the 4th Conference of the Pacific Community on decentralisation to the extent practicable; and
  - iii. endorsed the secretariat's position that it will not pursue further decentralisation of its offices beyond the current configuration of its headquarters in Noumea, New Caledonia, two regional offices in Suva, Fiji, and Pohnpei, Federated States of Micronesia (FSM) and a country office in Honiara, Solomon Islands.

##### **AGENDA ITEM 5.2 – MEMBERSHIP POLICY ISSUES**

28. Noting that the recent independent external review suggested that '...SPC may want to review whether it wants to expand its membership or develop alternatives to full membership for parties that would like to work more closely with SPC for further consideration by CRGA', the secretariat presented possible options for new membership. The meeting discussed the implications, including legal and financial aspects, of creating a new category of membership and allowing multilateral organisations, among others, to join the Pacific Community.

29. CRGA:
- i. noted with interest the Director-General's paper on possible expansion of SPC membership; and
  - ii. agreed to establish a working group, to be chaired by France as the chair of CRGA and to include French Polynesia, Marshall Islands, Papua New Guinea, Samoa and the United States, to work with the secretariat to examine a number of issues raised by members during the discussion and submit a more detailed report to CRGA 43 and the 8<sup>th</sup> Conference in 2013.

#### AGENDA ITEM 6 – OPERATIONS AND MANAGEMENT

##### **AGENDA ITEM 6.0 – OPERATIONS AND MANAGEMENT OVERVIEW REPORT**

30. SPC's Operations and Management Division has made good progress in implementing several projects including a new online human resources information system, upgrade of the ICT infrastructure and review of corporate administrative and human resources policies. It has also achieved efficiency gains as a result of putting in place a flatter structure and more streamlined work processes. The secretariat acknowledged the significant financial support provided by Australia for the initiatives described.

31. CRGA:

Commended the key initiatives undertaken by the Operations and Management Division in 2012 to ensure SPC's corporate and programme support services meet the needs of an expanded and decentralised 'post-RIF' organisation that seeks to operate with efficiency, transparency and accountability.

#### **AGENDA ITEM 6.1 – CROP TRIENNIAL REMUNERATION REVIEW 2012 – TERMS AND CONDITIONS FOR STAFF IN POSITIONS ADVERTISED INTERNATIONALLY**

32. Four CROP agencies (FFA, PIFS, SPC and SPREP)<sup>1</sup> have adopted a harmonised approach to their remuneration principles and practices and undertake a regular review to ensure these are in line with international good practice. The 2012 Triennial Remuneration Review confirmed that SPC's remuneration policies are in line with international practice and also reasonably harmonised between participating agencies and made a number of recommendations to address concerns about the COLDA (cost of living differential allowance) and impact of volatile exchange rates on budgets and salaries. The secretariat supports the view of the CROP working group that these recommendations need to be analysed further before implementation can be considered.

33. CRGA:

Agreed with the secretariat's proposal to continue discussion of the recommendations of the 2012 Triennial Remuneration Review.

#### **AGENDA ITEM 6.2 – ANNUAL SALARY MARKET REVIEW AND SALARY SCALES**

34. The secretariat proposed a modest increase to bring its 2013 salary scale for internationally recruited staff in line with the current (i.e. 2012) PIFS salary scale. Current SPC salaries are significantly below the average of the three reference markets and also below those paid by PIFS and SPREP despite the intended harmonisation of the four CROP agencies. In relation to the 2013 scale for positions advertised locally, CROP policy is to align salaries with those paid in the markets of the host countries, normally the average of public and private sector salaries, or with those of existing agencies in various locations.

35. CRGA

With regard to positions advertised internationally,

- i. approved the recommended 2013 salary scale.

With regard to 2013 salary scales for positions advertised locally:

- ii. approved the secretariat's proposal to align its FSM salary scale with that of the Western and Central Pacific Fisheries Commission;
- iii. approved the recommended salary scale in Fiji;
- iv. noted that the secretariat will discuss a more comprehensive salary survey in New Caledonia with local authorities and staff and continue to follow increases in public sector salaries; and
- v. approved the continuing alignment of SPC's Solomon Islands salary scale with that of FFA.

#### **AGENDA ITEM 2.4 – DIRECTOR-GENERAL'S ISSUES PAPER ON CROP REMUNERATION**

*Note: In adopting the provisional agenda, the meeting decided to discuss Paper 2.4 following other remuneration issues.*

36. As already noted, SPC's remuneration policy is harmonised with that of three smaller CROP agencies (FFA, PIFS and SPREP). However, harmonisation has created difficulties for SPC, which has a

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<sup>1</sup> CROP – Council of Regional Organisations in the Pacific; FFA – Forum Fisheries Agency; PIFS – Pacific Islands Forum Secretariat; SPREP – Secretariat of the Pacific Regional Environment Programme.

much larger staff and range of positions in comparison with these agencies. It has experienced problems in attracting and retaining the qualified and experienced staff needed for its technical and scientific programmes and requested CRGA to address this situation urgently. A modification of the existing salary scale was proposed to accommodate SPC's requirements more specifically along with consideration of mechanisms such as gratuities to enhance staff retention. In relation to the position of SPC Director-General, the secretariat noted that moving the positions of the CEOs of FFA and SPREP up to the same salary band as that of the CEO of SPC has created an anomaly in the CROP CEO banding structure, given that SPC is by far the largest organisation, and it requested that CRGA address the issue.

37. CRGA:
- i. noted the Director-General's paper on CROP remuneration issues; and
  - ii. directed the secretariat to further analyse the matters involved and present a paper, including data illustrating retention and recruitment difficulties, for consideration by CRGA 43 in 2013.

### **AGENDA ITEM 6.3 – ASSESSED CONTRIBUTIONS AND HOST GRANTS**

38. The secretariat was pleased to advise CRGA that 16 of SPC's 26 members have fully settled their assessed contributions to SPC. All except three have made payments during the financial year, including members known to have financial difficulties. This was a significant improvement over previous years. The total amount outstanding is 2,222,691 CFP units; approximately 80% (2 million CFP units) of this amount is owed by just five members. Nauru advised that its president had signed a five-year repayment plan for its arrears. SPC's auditors have, however, insisted that provision is made in its 2011 annual accounts for long-outstanding arrears. As directed by CRGA, the secretariat will carry out a review of the formula used to calculate assessed contributions, which has become more complex following the merger of SPC, SOPAC and SPBEA, for consideration by CRGA 43.

39. CRGA:

#### *Concerning the status of assessed contributions*

- i. acknowledged the significant efforts made by many members;
- ii. requested those members with outstanding contributions, in particular those with arrears, to settle these as early as possible;
- iii. requested members in financial difficulties to agree on a payment plan with the secretariat;

#### *Concerning the policy on long-outstanding arrears*

- iv. endorsed the secretariat's new policy of making a provision in its annual accounts for assessed contribution debts that are older than four years unless an agreed payment plan exists and is being implemented;
- v. endorsed the secretariat's policy of applying payments to oldest debts first;
- vi. confirmed its policy of not writing off arrears.

#### *Concerning financial year 2013 assessed contributions and host grants*

- vii. noted the schedule of assessed contributions (Annex 1 of the Green Book);
- viii. in the context of the overall review of assessed contributions, welcomed the announcement by France that it will increase its assessed contribution to 2.3 million CFP units from 1,620,920 CFP units based on the conversion of a significant portion of its voluntary contribution;
- ix. noted that the secretariat is continuing its discussions with host countries on closer links between the size of grants and the economic benefits to host countries;
- x. further noted that the secretariat intends to commission a study to estimate benefits to host countries and will report to CRGA 43 on the matter of host grants;

#### *Concerning the review of the funding formula for assessed contributions*

- xi. confirmed that a revised formula will be presented for consideration by CRGA 43, noting that the review of the formula will be included in the TORs of the consultancy for the review of the host grant formula in 2013;



- xii. recognising that American Samoa, Northern Mariana Islands, Pitcairn Islands, Tokelau and Wallis and Futuna now have access to the services of the Applied Geoscience and Technology (SOPAC) Division, requested that these members increase their contributions by 6,600 CFP units each to bring them into line with those of other small countries and territories from financial year 2013.

#### **AGENDA ITEM 6.4 – 2011 ANNUAL ACCOUNTS, AUDIT REPORT AND AUDITOR’S MANAGEMENT LETTER**

40. In accordance with the financial regulations, the 2011 audited financial statements and audit reports were submitted to CRGA for its consideration. The 2011 financial records for the secretariat and the staff provident fund received unqualified audit opinions from the auditor, PricewaterhouseCoopers, New Caledonia. The auditor’s management letter with management responses, which was also submitted for members’ information, drew attention to the status of outstanding assessed contributions and insisted that provision be made for doubtful debts.

41. CRGA:
- i. accepted the 2011 audited financial statements as presenting a true and fair view of the financial position and financial performance of the secretariat and of its staff provident fund;
  - ii. noted that proper accounting records have been kept and unqualified audit reports were received by SPC for the 16th successive year;
  - iii. noted the comments of the auditors in the management letter and the responses of management; and
  - iv. noted the issues raised by the auditors regarding arrears in members’ contributions.

#### **AGENDA ITEM 6.5 – REVISION OF 2012 BUDGET**

42. The revised budget for 2012 is a balanced budget that totals 106,372,200 CFP units (core 23,831,100 CFP units; project funding 82,541,100 CFP units). Overall, the 2012 revised budget reflected an increase of 8,775,600 CFP units, or 9.0%, compared to the original budget of 97,596,600 CFP units. The secretariat was pleased to advise that no transfer from reserves was required to balance the revised budget; current year expenditure is fully covered by current year income.

43. CRGA:  
Noted the revised budget (core and project funding) for financial year 2012.

#### **AGENDA ITEM 6.6 – FINANCIAL YEAR 2013 BUDGET**

44. SPC’s budget for 2013 is a balanced one of 94,721,000 CFP units, comprising a core budget of 24,720,100 CFP units and project funding of 70,000,900 CFP units. It reflects changes in SPC’s organisational structure and includes forecasts up to financial year 2015. There is also progress towards the reserves target set by CRGA. The meeting discussed the improvements in the presentation of the budget, the importance in future of providing information on country-level expenditure and savings resulting from efficiency gains, and the need to report detailed results against objectives in divisional plans. The meeting also requested SPC management to provide within-year reporting on expenditure to be circulated to members out of session for their information. This level of reporting will help metropolitan members in considering moving toward multi-year funding and conversion of project funding to core funding.

45. CRGA:
- i. approved the proposed budget for financial year 2013; and
  - ii. noted the progress update on SPC’s reserves.

## **AGENDA ITEM 7.1 – SELECTION OF THE DIRECTOR-GENERAL**

46. The secretariat proposed amending the Procedure for the Appointment and Assessment of the SPC Director-General by including the services of an international recruitment firm to assist in the selection process, and recommended EWK International, which has supported the secretariat in recruitment of directors.
47. CRGA:
- i. appointed the members of the selection advisory committee that will undertake the selection process as follows: Chairperson – France (chair of CRGA); Australia (donor representative), Fiji (previous chair of CRGA), Kiribati (incoming chair of CRGA), Marshall Islands (Micronesian subregion representative), New Caledonia (French-speaking representative), Papua New Guinea (Melanesian subregion representative) and Samoa (Polynesian subregion representative);
  - ii. approved using the services of an international recruitment firm to assist in the process for selecting the Director-General and appointed EWK International;
  - iii. approved the schedule for the selection process recommended by the secretariat; and
  - iv. directed the secretariat to update the Procedure for the Appointment and Assessment of the SPC Director-General to reflect recommendation ii.

## **AGENDA ITEM 7.2 – ASSESSMENT OF THE DIRECTOR-GENERAL’S PERFORMANCE IN 2012 (CLOSED SESSION)**

48. CRGA met in a closed session to assess the performance of the Director-General in 2012.
49. CRGA:  
Set the Director-General’s salary for 2013 at 106% on the applicable salary band in recognition of his excellent performance, his leadership of the organisation and his contribution to regional development.

## **AGENDA ITEM 8 – STATEMENTS FROM OBSERVERS**

50. The meeting noted with appreciation the statements that were presented on behalf of the European Union, Pacific Islands Forum Secretariat, Secretariat of the Pacific Regional Environment Programme and University of the South Pacific.

## **AGENDA ITEM 9 – VENUE, CHAIRPERSON AND VICE-CHAIRPERSON FOR CRGA 43**

51. In accordance with its rules, CRGA decided on the arrangements for its next meeting, which will be held in the week before the 8<sup>th</sup> Conference of the Pacific Community.
52. CRGA:
- i. noted that CRGA 43 will meet in Fiji from 11 to 15 November 2013;
  - ii. noted that the Chairperson for CRGA 43 will be provided by Kiribati and the Vice-Chairperson by Marshall Islands.

## **AGENDA ITEM 10 – OTHER BUSINESS**

53. Solomon Islands took the floor to express its gratitude to SPC for its assistance in making the 2012 Festival of Pacific Arts, which was hosted by Solomon Islands, a great success. He said the festival is one of the most important cultural events in the Pacific and SPC’s assistance across several sectors, including culture, health and media, was central to its success. In addition to the staff of SPC’s Human Development Programme, the Solomon Islands country office also provided key support.

**AGENDA ITEM 11 – ADOPTION OF CRGA DECISIONS**

54. CRGA adopted its decisions.





*Republica Democratica de Timor-Leste*  
**Ministerio dos Negocios Estrangeiros e Cooperacao**  
Gabinete do Vice-Ministro

Speech delivered by  
H.E. Constancio Pinto  
Vice Minister for Foreign Affairs and Cooperation  
at the 8th Conference of the Pacific Community ( PC )  
Suva, 18 November 2013

Mr. Chairman, the Honourable Minister for Foreign Affairs of Fiji  
Director General of the Secretariat of the Pacific Community  
Honourable Ministers and Heads of delegation  
Distinguished Guests  
Ladies and Gentlemen

Mr. Chairman,

At the outset, allow me to congratulate you for assuming the chair of the 8th Conference of the Pacific Community

It is an honour and pleasure to be here in this important conference representing Timor-Leste with the leaders and representatives of the SPC countries. I want to especially acknowledge and express my appreciation to Dr Jimmie Rodgers, the Director General of the SPC, for inviting me to briefly address this conference in expressing Timor-Leste's intention to join the SPC.

I want to especially acknowledge and thank His Excellency Prime Minister and the people of Fiji for the warm welcome and fine hospitality accorded to me and my delegation since our arrival in this beautiful country. This is my second visit to Fiji and we always enjoy our stay and feel very much at home. In Timor-Leste, especially people of the border town of Suai Covalima District have fond memories of the Fijian Defence Force during their tour of Peace Keeping Duties in that area.

Timor-Leste is geographically located at the crossroads between South East Asia and the Pacific and we want to engage fully with both and play our part as bridging role.

Timor-Leste is already a member of the ASEAN Regional Forum and has applied to become a member of ASEAN and we are working hard through our Secretary of State for ASEAN Affairs within the Ministry of Foreign Affairs and Cooperation towards that accession in a not too distant future. Timor-Leste is also a founding member of the South West Pacific Dialogue comprising of TL, Australia, Indonesia the Philippines, Papua New Guinea and New Zealand.

With the Pacific countries, we are an observer member of Pacific Islands Forum, the Melanesian Spearhead Group and a participant member of the establishment of the Pacific Islands development Forum (PIDF). Through the PACP we are also a member of the ACP countries under the Cotonou Agreement ACP-EU cooperation.

As a young post conflict country, Timor-Leste is facing with development challenges especially when we have to start a new nation from zero in 2002. Dealing with a traumatised society of 24 years of struggle and

80% of our infrastructure destroyed in 1999, building the structures and institutions of the State is a daunting task.

In 2006 Timor-Leste fell back into internal crisis which culminated in the assassination attempt of the President of the Republic and Prime Minister. Thanks to the generous support from Australia, New Zealand, Malaysia and Portugal in restoring law and order, we can now say good bye to conflict and welcome development.

Those internal challenges were a wakeup call to our society and our political leadership and we have learnt our lessons to be more inclusive in how the country is governed democratically with transparency, the rule of law, and equal distribution of wealth.

Mr. Chairman,

We are striving hard to develop our country at every level to uplift our people from illiteracy and poverty. We are also fortunate for being endowed with some natural resources which is providing our government revenues from which to invest in our human capital and all enabling factors for the development of our economy such as major infrastructures in order to diversify our economy and not to be trapped by the well-known natural resource curse.

We have established our 2030 strategic development plan with the aspiration to lift our country into upper middle income country in 20 years.

With our experiences as post conflict country we are also sharing these experiences with other countries both in our region and those far afield through our co-leadership in the G7 plus group of 18 countries.

Learning from the existing evidence I want to express my appreciation for the foresight of past Pacific leaders and the development partner countries namely Australia, France, New Zealand, the Netherlands, the United Kingdom and the United States of America to establish the SPC as technical and scientific organisation. It has played important and successful role in the development of the small Island states in the Pacific especially here in the Republic of Fiji. Timor-Leste wishes in some ways to benefit from this technical knowhow.

The Director General of SPC, my friend, Dr. Jimmie Rodgers and his team have visited Timor-Leste and we are already cooperating in the development of bamboo crafts and the growing of more bamboo plantations with the support of our friends from the European Union.

In this era of globalised world or a global village there are trade opportunities that one must be taken advantage of whether as individual country, group or region. The whole of Asia has an immense market with growing middle class in need for more quality products. As small economies we can work together helping each other with knowhow to increase the quality of our products for these markets. Indonesia with 240 million people is just next door to both Timor-Leste and Papua New Guinea.

As a region most vulnerable to climate change, we must strive at all levels to raise our voices wherever possible in every continent in international forums that the effects of Climate Change is real and that small islands states such as Kiribati will submerge with potential sea rise.

Mr. Chairman,

To conclude,

Timor-Leste welcomes the CRGA Resolution on extending the territorial scope of the Pacific Community to include Timor-Leste. On behalf of my Government I would like to reiterate our willingness to join the Pacific Community and we look forward to our engagement as a full member of this important regional organization.

I thank you for your attention and vinaka vakalevu.







**FORTY THIRD MEETING OF THE  
COMMITTEE OF REPRESENTATIVES OF GOVERNMENTS AND ADMINISTRATIONS  
(CRGA 43)**

**Chairperson:** Ms Tessie Lambourne  
Permanent Secretary, Kiribati

**Vice-Chairperson:** HE Mr. Frederick Muller  
Ambassador, Republic of the Marshall Islands



## **AGENDA**

### **1 – OPENING**

### **2 – SECRETARIAT REPORTS**

#### **2.1 Director-General's Office**

- 2.1.1 Director-General's 2013 overview report
- 2.1.2 SPC's Corporate Strategic Plan and sustainable financing of SPC

#### **2.2 Programmes Directorate reports**

- 2.2.1 Programmes Directorate 2013 overview
- 2.2.2 Applied Geoscience and Technology Division
- 2.2.3 Economic Development Division
- 2.2.4 Education, Training and Human Development Division
- 2.2.5 Fisheries, Aquaculture and Marine Ecosystems Division
- 2.2.6 Land Resources Division
- 2.2.7 Public Health Division
- 2.2.8 Statistics for Development Division

#### **2.3 Strategic Engagement, Policy and Planning Facility (SEPPF) reports**

- 2.3.1 SEPPF 2013 highlights and 2014 work programme
- 2.3.2 Managing for development results: monitoring, evaluation and learning

#### **2.4 Operations and Management Directorate reports**

- 2.4.1 2013 Directorate highlights and 2014 work programme
- 2.4.2A Human Resources: recruitment and retention issues and priorities for action
- 2.4.2B Annual market data review and fiscal year 2014 salary scales
- 2.4.3 Status of assessed contributions and host grants
- 2.4.4 2012 annual accounts, audit report and auditor's management letter
- 2.4.5 Revision of 2013 budget

### **3 – 2014 BUDGET**

- 3.1 Financial year 2014 budget

### **4 – STANDING COMMITTEE OF CRGA**

- 4.1 Audit and Risk Committee report

### **5 – SUBSTANTIVE POLICY AGENDA**

- 5.1A Updating the Canberra Agreement to give legal effect to previous conference decisions and introduce provisions for other membership categories
- 5.1B SPC membership policy
- 5.2 SPC governance arrangements – a policy discussion paper
- 5.3 Review of assessed contributions and host grants
- 5.4 Risk-resilient development: An integrated approach to managing climate, disaster and human security risks
- 5.5 enhancing SPC's engagement in the international and regional development agenda
- 5.6 Findings of the Pacific Plan review and possible implications for SPC

### **6 – STATEMENTS FROM OBSERVERS**

### **7 – RECRUITMENT OF THE DIRECTOR-GENERAL**

### **8 – CRGA 44: VENUE, CHAIRPERSON AND VICE-CHAIRPERSON**

### **9 – OTHER BUSINESS**

### **10 – ADOPTION OF CRGA DECISIONS**



## **REPORT OF PROCEEDINGS**

### **AGENDA ITEM 1 – OPENING**

1. The CRGA Chair opened the meeting and invited Cook Islands to give the opening prayer. The Chair thanked the previous Chair, France, for its leadership over the past year and welcomed the support of the incoming Vice Chair, Marshall Islands, in the coming year. She asked the meeting to observe a minute of silence for Jean Sese, Director General of Foreign Affairs Vanuatu, who died on 8 November 2013.
2. The Director-General of SPC thanked Fiji for hosting the Conference and CRGA in the splendid Vale ni Bose facility and welcomed all participants. He introduced SPC's new leadership team members: the Deputy Director-General, Programmes, and the Deputy Director-General, Operations and Management.
3. The Chair invited participants to consider the CRGA agenda. She emphasised the importance of the recommendations to be considered by CRGA and its most pressing task – the appointment of SPC's new Director-General.
4. The Director-General summarised the events planned for the week, including a field visit to all SPC's Suva offices on Friday afternoon. The Chair requested comments on the agenda. Fiji moved to adopt the agenda without modification; the motion was seconded by PNG.

### **AGENDA ITEM 2 – SECRETARIAT REPORTS**

#### **AGENDA ITEM 2.1 – DIRECTOR-GENERAL'S OFFICE**

##### **AGENDA ITEM 2.1.1 – DIRECTOR-GENERAL'S 2013 OVERVIEW REPORT**

5. In his final report to CRGA and Conference, the Director-General shared reflections of his time at SPC, including his early years. Two topics dominated the region's agenda in the period 2006–2011 in the six years after he was appointed Director-General – the Pacific Plan and the reform of the Regional Institutional Framework (RIF). Both were driven by processes outside of SPC, but SPC had to engage with them strategically to define and consolidate its place and role in the region's development agenda.
6. He said that over the past eight years, SPC has achieved many successes of which it can be proud, despite also facing many challenges. It decentralised its offices and 'moved services closer to people'; it expanded its partnerships with national, regional and international organisations; it invested in enhancing governance within the organisation; and it increased its donor base and funding portfolio. SPC's expansion was in response to the needs of Pacific Island countries and territories (PICTs) for additional capacity. Its merger with other established organisations (SOPAC and SPBEA) had been a process that required four years and enormous effort.
7. The birth of SPC was the result of an original vision for regional cooperation in the Pacific. To achieve this, SPC sought to further enhance its role in supporting good governance in the region. SPC also sought sustainable financing, although it anticipates not be able to achieve its goal of 35% sustainable financing by 2015; this goal will be met in later years. Approaching the end of the Millennium Development Goals, SPC seeks to remain relevant in light of the post-2015 development agenda process.
8. The commissioning of the independent external review (IER) of SPC, with the approval of CRGA and Conference, and the resulting report and implementation of its recommendations has lifted SPC's profile. The review strengthened the confidence of PICTs and partners that SPC is an accountable organisation that is not afraid to put itself under the microscope, and is focused on achieving results with a demonstrated record in service delivery.

9. Prior to concluding his presentation with six recommendations, the Director-General highlighted several highs and lows during his leadership tenure. The loss of Falani Aukuso, SPC Deputy Director-General, marked a low point; the Director-General thanked his colleague's family for sharing him during the time he spent at SPC. The high points involved working with SPC's membership and the SPC team. SPC members drive the agenda; the SPC team responds to deliver on the agenda. He said he cherished the very close relationships with SPC's founding members, who provide approximately 44% of SPC's budget. He paid tribute to the founding members' continued interest in SPC over the years. The relationships with SPC's newer development partners were also very significant; next year some of those partners, the European Union and the Global Fund, will contribute about 44% of SPC's budget.

## **DISCUSSION**

10. The Chair, summarising the issues highlighted by the Director-General, stated that SPC has kept its promise to the members that it serves. She thanked the Director-General and the whole SPC team for their contributions and invited representatives to consider the Director-General's report and recommendations.

11. Delegates acknowledged Fiji's hospitality and the grandeur of the facility reserved for the forty-third CRGA. They thanked France for its leadership as CRGA Chair during the past year and expressed hope regarding collaboration under Kiribati's chairmanship, commending Kiribati's assumption of the position. They welcomed SPC's new leadership staff.

12. The delegate from the Solomon Islands noted the issues raised in the Director-General's presentation, particularly the problem of SPC remaining relevant. The decisions relating to treatment of member countries and territories made during the 23rd South Pacific Conference in Saipan (1983) and SPC's 50th Anniversary Conference in Canberra (1997) are still important but PICTs did not follow through on making those decisions legal. Regarding SPC's future relevance, the key issue is that SPC should consistently apply the rules for all members.

13. The delegate from France stated that, as a founding member of SPC, France will continue to support SPC as it has done in the past. He also asserted France's confidence in SPC and in its future.

14. The delegate from Fiji stated that SPC's success is a tribute to its Director-General, who contributed visionary and transformative leadership. Fiji commended SPC's focus on its members and partners and looked forward to its continued leadership to make the CROP Agencies 'one CROP delivering as one.' She concluded her comments by asserting that SPC must align itself to the Post-2015 Development Agenda to remain relevant.

15. The delegate from Niue paid tribute, on behalf of the Premier of Niue and Niuean people, to the Director-General, SPC, for his good work. He invited the Director-General to visit Niue upon the completion of his term.

16. The representative of Australia commended the Director-General on the quality of his report and stated that few other individuals have made such an impressive contribution to the region.

17. The delegate from Cook Islands expressed the country's deep appreciation of the programmes SPC has delivered. He then relayed the sentiments of the Prime Minister and the Director, Pacific Division, Ministry of Foreign Affairs and Immigration, Cook Islands, who expressed sincere appreciation for the Director-General's accomplishments.

18. Responding, the Director-General expressed his appreciation for the sentiments expressed. He then introduced other SPC senior staff, who had been appointed since the previous CRGA meeting.

## RECOMMENDATIONS

19. CRGA agreed to recommend to the Eighth Conference of the Pacific Community that it:
  - i. acknowledge the challenges faced and successes achieved by SPC during the eight-year tenure of the Director-General;
  - ii. acknowledge the outstanding contribution of Dr Jimmie Rodgers to the region and his inspirational leadership of SPC as Director-General from 2006 to 2013;
  - iii. discuss the key challenges that will require continued action by the incoming Director-General and the leadership team, including SPC's involvement in the post-2015 development agenda, sustainable financing of SPC's work, governance arrangements and membership issues, and the secretariat's human resources challenges;
  - iv. agree to formally accord posthumous recognition of the contribution to SPC of Mr William Forsyth, its first Secretary General, who as a member of Australia's Department of External Affairs proposed the 'South Seas Commission' in 1943 to facilitate regional cooperation in the post-war period – a vision that became the first example of regional cooperation in the Pacific;
  - v. agree to establish a process to recognise meritorious service to SPC and to the region.

### **AGENDA ITEM 2.1.2 – SPC's CORPORATE STRATEGIC PLAN AND SUSTAINABLE FINANCING OF SPC**

20. The Director of the Strategic Engagement, Policy and Planning Facility (SEPPF) spoke about SPC's new Corporate Strategic Plan. SPC aims to provide excellent, even world-class services. One theme in the strategy is the focus on issues essential to development. Another theme is results verified by monitoring and evaluation. Lastly, the strategy emphasises sustainability, for the organisation as well as its services. The strategy also clearly presents what SPC does and how it adds value. These include providing shared services to realise economies of scale, studying and managing shared resources such as tuna, promoting region-wide norms and standards, facilitating transboundary coordination, piloting new initiatives, and influencing global agendas relevant to the region. The plan outlines how SPC will be doing business differently in several ways: prioritising services with the biggest potential impact; better tailoring partnerships with members and development partners; increasing focus on results and accountability; institutionalising learning (within SPC and with members and partners); focusing on larger, consolidated programmes; employing more cohesive multi-sector approaches; negotiating regional initiatives – with specialisations in certain areas; and improving SPC support services and governance. The SEPPF Director emphasised that to deliver on the corporate plan SPC required more sustainable funding. The IER suggested specific targets in this area. Among those recommendations, assessed contributions have been increased and the target in core funding for January 2013 has been met. However, SPC is unlikely to meet the goals for the coming two years. SPC aims to meet them by increasing programme funding, including through shifting project funding to programme funding, and increasing unrestricted core funding. Another approach will be implementing full cost recovery. SPC will also make sure it uses unrestricted funding as efficiently as possible, and will develop a comprehensive resource mobilisation strategy. The Secretariat will review communication and visibility to ensure metropolitan members are appropriately recognised.

## DISCUSSION

21. The Chair reminded members to keep in mind the three tests that should guide decision-making on which services SPC should be providing – the market, sustainability and trans-boundary tests. She also noted the importance of remembering that people are at the centre of all of the discussions.

22. The representative of Marshall Islands thanked Fiji for hosting the meeting and congratulated the Chair. He also congratulated the Director-General. With respect to JCSs, he noted that plans to establish a centre of excellence in atoll agriculture in Marshall Islands had not been realised, and therefore he was glad

that SPC would revisit the JCS process. He looked forward to hearing more about the proposed centre, which would be very important to atoll nations such as Marshall Islands. He said Marshall Islands endorsed the recommendations.

23. The representative of France thanked the SEPPF Director for the report and said France supported the recommendations. He announced that France would convert a further portion of its voluntary assessment to increase its assessed contribution to 2.5 million CFP units starting in 2014. With this change, France would meet the target for 2015 one year early, and would help increase the sustainability of SPC's funding. He noted that as a donor, France needed more information about the proposed full cost recovery. He asked for example, if the French Pacific Fund were to contribute a certain amount to SPC, if 23% would be taken out for management expenses. If so, he said, the French parliament would likely not agree to provide the funds.

24. The representative of USA thanked Fiji for hosting the meeting and recognised the Director-General for his work. He also welcomed the new members of SPC's management. He noted that USA is a strong supporter of SPC, and that it supports the initiatives relating to increasing efficiency and other improvements in utilisation of funding. He said that in general, USA supports full cost recovery for international organisations, but that it would need further information. He said that USA encouraged continuing efforts to increase monitoring and evaluation. Lastly, he said that given its budget constraints, USA could not support an increase in members assessed contributions.

25. The representative of Kiribati thanked the SEPPF Director and SPC for its commitment to implementing the IER recommendations, especially those relating to measuring and increasing the quality of services. She said Kiribati was very supportive of the effort to ensure that SPC and its services are sustainably financed and that Kiribati supported the recommendations. She emphasised that members must take ownership and contribute however they can. Kiribati was grateful that SPC acknowledges and provides support to meet the special needs of small island states. Kiribati supported subregional approaches such as the Central Pacific Shipping Commission.

26. The representative of Niue noted that the discussion also related to IER recommendation 36 concerning limited funding. He said that division directors are well placed to present programmes to donors and negotiate support, including in-kind contributions. He noted the importance of looking outside traditional funding modalities for this. In addition to securing the resources to provide services, he noted the need to look at 'bundling' services – not just having individuals in divisions to provide them. He said that Niue supported the comments by France, noting that Niue could not support taking a large part of funds to pay for management. Aside from this reservation, he said that Niue supported the recommendations.

27. The representative of Australia congratulated SPC on the high quality of its corporate plan. He said that Australia welcomed the emphasis on leveraging SPC's multi-sector coverage. With regard to increasing core funding levels, he said that Australia was working with SPC on how to move more of its funding to core and programme funding. Australia hoped to sign a multi-year agreement to do this and provide longer-term funding to SPC. He noted that the fiscal environment is challenging and that SPC must maximise the benefit from any new resources. Hence, Australia agreed with the statement in the plan that any unrestricted funds would have to support the highest priorities. In closing, he noted that Australia supported improved cost recovery by SPC.

28. The representative of New Caledonia congratulated the Chair as well as the outgoing chair, Fiji for hosting the meeting, and the Director-General for his work, notably on the reform of the regional institutional framework. She said that as the host of its headquarters, New Caledonia would continue to support SPC. She said that the new plan was a good reflection of SPC's structure and that reducing the plan period to three years from five years would allow divisions to align their planning with corporate planning, and also allow SPC to align itself with global processes. She noted that SPC must help countries strengthen governance, including through mechanisms such as south-south cooperation. She said New Caledonia supported increasing the sustainability of SPC's funding and would help however it could. New Caledonia also supported the comments by Niue regarding in-kind contributions.

29. The representative of New Zealand congratulated the Chair. He said New Zealand supported the initiatives outlined in the presentation, and that it was looking at how to provide more sustainability in its



funding. He noted that this showed New Zealand's confidence in SPC. He said New Zealand supported the recommendations and looked forward to discussions.

30. The representative of Samoa congratulated the Chair as well as the outgoing chair, thanked Fiji for hosting the meeting, and acknowledged the Director-General for his service and commitment. She said that Samoa was very happy with the quality of the new plan and thanked SPC for integrating the IER recommendations, in particular those on sustainable financing. She said Samoa had no objections to the proposed recommendations. However, she requested more information regarding the statement in paragraph 13 of the paper that donors were reluctant to contribute funds to SPC as its transition was not yet complete.

31. The representative of PNG commended SPC on its work. He noted that increased responsibility comes with increased core funding, and that members must take responsibility, as noted by Kiribati. He pointed out that members could provide some support to projects that are important to them, even though all members were facing difficult financial circumstances, and that PNG would face a deficit in 2014. As a result of the fiscal difficulties, members would have to develop smaller 'wish lists'. He said that he hoped that PNG could and would contribute to funding for services. PNG supported the proposed recommendations.

32. The representative of Solomon Islands thanked SPC for the excellent presentation. He said Solomon Islands supported the new approach in the plan, that the issue of funding was critical, and that it was necessary to take into account other funding arrangements through SPC or across members. He said that it was very important to avoid duplicating efforts, and that with funding often from the same sources, there was a need to pursue other partnerships to fund services.

33. The representative of Tonga commended the Director-General and the new members of the SPC management team. He thanked SPC for the paper and said Tonga supported the recommendations. He commended donors and pointed out that matching the objectives of a plan with resources was always challenging and important. He noted that disaster risk reduction was a development issue, not just a security issue. He said it was important to link disaster risk reduction to development, and that it was important for each country to know its vulnerabilities and inform its population.

34. The Director-General thanked Niue and pointed out that Annex 1 to his report provided an update on the implementation of the IER recommendations. He said SPC had implemented 37 of the 42 recommendations, was progressing on three, and had deferred two. He thanked France for its announcement and acknowledged Australia and New Zealand for their ongoing work on implementing multi-year agreements. In response to the statement from USA, he said SPC noted the fiscal difficulties that members face and explained that from SPC's point of view it was important to start by setting targets, and that then it could work with members on meeting them as a secondary step. With regard to full cost recovery, he noted that projects were already bearing the management costs, and that it was necessary to define them, but that this was not a new expenditure. In response to the question from Samoa on the reluctance on the part of donors, he said that it did not relate to the people appointed by SPC and was not an issue of loss of confidence in the organisation, but that it was simply a result of the fact that SPC was still implementing the changes based on the results of the recent review.

35. The SEPPF Director responded to the comment from Marshall Islands on JCSs and to the comment by Solomon Islands on duplication. He said that an important part of the JCS process was ensuring that there was no duplication and ensuring for each service that SPC should really be involved in providing it. With respect to cost recovery he said that it was not increase in management fees or an increase in costs. He noted that SPC was benchmarking costs against those of effective organisations to be sure that it was following best practices. He explained that membership contributions were paying for some things that donors would be happy to pay for through funds for projects. This would free up those funds to allow them to be put towards key services. He noted that efficiency was important and that SPC was looking at benchmarking in this area too.

36. The Chair noted that there was a consensus in support of the proposed new approach, though more details were needed. She noted the strong sense of ownership and commitment and the willingness of some members to take on more. She also noted that many had thanked donor members and development partners for their support, and that there was confidence in the organisation. She said that there was clearly a

preference for small steps in moving forward in this area, and that there was a need to focus not only on funding but also on in-kind and other kinds of contributions, to maximise the benefits from resources.

## **RECOMMENDATIONS**

37. CRGA agreed to recommend to the Eighth Conference of the Pacific Community that it:
- i. note SPC's intent, described in its corporate strategic plan, to do business differently during the plan period;
  - ii. acknowledge the secretariat's efforts to implement the IER recommendations on increasing SPC's core funding levels;
  - iii. consider and endorse the secretariat's approach to mobilising additional flexible long-term sustainable funding to support SPC's work;
  - iv. acknowledge with gratitude the announcement by France that it will convert a portion of its voluntary contribution to raise its assessed contribution to 2.5 million CFP units, meeting the target for 2015 one year early,
  - v. acknowledge with gratitude the confirmation by Australia that SPC should go ahead with the indicative funding figure of AUD 16 million per year in addition to ongoing projects;
  - vi. welcome the statement by New Zealand that it is continuing discussions with SPC on multi-year funding arrangements.

## **AGENDA ITEM 2.2 – PROGRAMMES DIRECTORATE REPORTS**

### **AGENDA ITEM 2.2.1 – PROGRAMMES DIRECTORATE 2013 OVERVIEW**

38. The Programmes Directorate was established in January 2013 after CRGA accepted the recommendation of the IER to provide a lucid roadmap that brought SPC's seven technical divisions together under one Deputy Director-General. The recently appointed Deputy Director-General, Programmes, provided a brief overview of the directorate and presented highlights of the directorate's work programme in 2013.

39. SPC's core strength must remain in the depth, rigor, and quality of its technical advice. To achieve this goal, SPC's Programmes Directorate will focus on ensuring continuity of delivery for its 2014 work programme, better leveraging SPC's cross-sectoral strengths, co-leading the implementation of the IER recommendations across the organisation, and constructing a resource development and access plan.

40. Prior to concluding his presentation with four recommendations, the Deputy Director-General, Programmes, commented on the changing funding situation at SPC. He said fundraising is very important, but successful fundraising is the result of building and maintaining partnerships. Sustainable fundraising is 'friend-raising'.

## **RECOMMENDATIONS**

41. CRGA agreed to recommend to the Eighth Conference of the Pacific Community that it:
- i. note the establishment of the Programmes Directorate, which brings SPC's technical divisions together under a Deputy Director-General, Programmes;
  - ii. acknowledge the directorate's priorities for 2014 and welcome the proposed milestones it hopes to achieve;

- iii. acknowledge the secretariat's efforts to date to strengthen monitoring and evaluation frameworks across SPC's programmes and encourage further strengthening of these systems, recognising that improved information on results is critical to achieving its plan to increase the level of programme funding.

## **AGENDA ITEM 2.2.2 – APPLIED GEOSCIENCE AND TECHNOLOGY DIVISION**

42. The Director of the Applied Geoscience and Technology Division (AGTD) took up his position in January 2013. AGTD has had a successful year with reasonable levels of funding and a staffing level of 85 people. Going forward, AGTD looks to focus on four key result areas: monitoring and assessment of natural resources; development, management and governance of natural resources; managing vulnerability and risk; and delivering effective and efficient services to member countries. Some recent examples of successful AGTD projects include the development of a sophisticated tsunami model for Tongatapu that will assist with essential disaster planning; overseeing of the successful construction of a sand and gravel extraction barge for use in Kiribati; and a joint project with UNICEF involving sanitation and groundwater governance and harvesting. Also, AGTD's GIS unit won a Digital Globe Award and trained over 30 Pacific Islanders in GIS during the past year. Additional AGTD achievements include the building of several PICT emergency operations centres, completion of water catchment studies for Samoa, roll out of the world's first template for a legal framework for deep-sea mining activities, successful completion of dozens of workshops in all sectors across the region, and a joint study involving all AGTD programmes and SPC's gender and culture programmes in examining the increased environmental vulnerability of Lifuka Island, Tonga.

43. Following the overview of the past year's successes and accomplishments, the Director, AGTD, presented key work-plan highlights for 2014. The Disaster and Risk Programme will complete a five-year regional programme for building resilience to disaster and risk. The Water Resource Programme will complete a subregional five-year water security project and water reticulation project. It will also work on a regional integrated water resource management strategy. The Marine Science Programme will continue to publish new hydrographic charts and geophysics models, as well as continuing its work on maritime boundaries and sea level monitoring (approximately half of the maritime boundaries in the region still need to be charted). The Deep Sea Minerals Project will continue regional efforts to support careful governance of deep-sea mining activities in accordance with international law, with particular attention to the protection of the marine environment and securing equitable financial arrangements for PICTs. AGTD will undertake new geological database efforts in Solomon Islands, Vanuatu, and in other PICTs, and a geothermal energy partnership with Vanuatu. AGTD also expects to be able to report progress on its new hydrocarbons database and urbanisation projects relating to keeping cities safe from disasters.

## **DISCUSSION**

44. Several PICTs extended their appreciation to AGTD for research conducted and projects implemented, and congratulated Professor Michael Petterson on his appointment as head of the division.

45. The representative from Kiribati requested AGTD to continue its work on underwater surveys, especially regarding the location of unexploded military ordnance. Kiribati also looks forward to collaborating with USP on deep-sea mining.

46. The representative from Samoa requested that AGTD consider improving the Ordnance Survey Network since funding for that project has been frozen and also said the Regional Seas Network will require an improved regional focus. Samoa requested AGTD's Ocean and Islands Programme to update its hydrology database; and also requested training and attachments related to the tide gauge implemented by AGTD, as it will be used for early tsunami warnings. Finally, the representative from Samoa expressed full support for reinstating AGTD's geoscience education programme.

47. The representative from New Zealand applauded the successes of AGTD. To keep its strong record on track, he suggested that AGTD maintain a 'conservative approach to change management' going forward. Responding to this comment, the Director, AGTD, stated that the division should always be interested in

exploring new and emerging themes and that beneficial programmes would continue to see improvement while a ‘cautious’ approach to organisational change would be maintained.

48. The representative from Cook Islands expressed support for the arrival of the earth science training programme, in view of emerging deep-sea minerals efforts.

49. The representative from Niue acknowledged the European Union funding that will permit the construction of the country’s new Emergency Operations Centre. With assistance from AGTD, Niue’s building code was recently improved. Niue also expressed appreciation for the recently completed survey of its harbour and wharf. Finally, Niue requested support on the following projects: deep-sea mining; wave, current, and wind monitoring and forecasting; and its management plan for invasive pests.

50. The representative from Guam announced that the country will sit on President Obama’s Climate Change Task Force. She also mentioned that SPC should take advantage of the information and research available from Guam, regardless of the restrictions set by donors on Guam’s access to SPC and AGTD assistance.

51. The representative from Tonga requested assistance to augment its resources for completing delimitation of its maritime boundaries.

52. The representative from Vanuatu expressed appreciation to AGTD for constructing the country’s minerals database and anticipated continuing to reinforce partnerships built with SPC’s divisions.

53. In response, the Director, AGTD, stated that funding would guide the way for the division going forward. AGTD anticipates adding geo-hazard expertise to its staff, since the division currently outsources this work. He expressed a desire to complement his staff with additional personnel who can apply their skills in a development context as opposed to pure scientists without development experience. AGTD is working more closely with other SPC divisions than ever before. This provides more funding and collaboration opportunities.

## **RECOMMENDATIONS**

54. CRGA agreed to recommend to the Eighth Conference of the Pacific Community that it:

- i. note the outcomes of the third meeting of the Applied Geoscience and Technology Division in Cook Islands in October 2013;
- ii. consider supporting the division’s proposal to reinstate the earth science course;
- iii. encourage the division to continue to explore ways to increase land and resource-focused geosciences, and to work on future strategic direction and priorities with donor and partner agencies, while recognising that there will always be funding challenges and that there must be no impact on meeting existing commitments;
- iv. note the division’s results and its progress towards the key result areas in its strategic plan;
- v. note the outline of the division’s 2014 staffing budget and work programme.

## **AGENDA ITEM 2.2.3 – ECONOMIC DEVELOPMENT DIVISION**

55. The Director of the Economic Development Division (EDD) said that the division delivers services to members in two areas – energy and transport – the drivers of economic development. As a result of the IER, the Pacific Information and Communication Technology Outreach (PICTO) programme of EDD shifted to the University of the South Pacific (USP), effective from 1 January 2013. The goal of EDD is sustainable economic development through accessible, affordable, efficient, secure and safe energy and transport services. To accomplish this, EDD drafted a revised Strategic Plan (2012–2017), for which it sought CRGA

endorsement. The Strategic Plan objectives are: to establish and sustain effective regional coordination mechanisms and strategic partnerships; to support development and implementation of effective policies, plans and regulatory frameworks; to strengthen institutions and expertise in the energy and transport sectors; and to improve access to affordable and efficient energy and transport services. Aligning closely to the new SPC Corporate Strategic Plan (2013–2015), the revised EDD Strategic Plan spans a similar three-year period. Divisional highlights for EDD’s energy programme included the following: the North Pacific ACP Renewable Energy and Energy Efficiency Project (North-REP) recently received an independent evaluation, which gave the project a ‘B’ grade; and EDD’s petroleum advisory services and its energy efficiency-related Pacific Appliance Labelling and Standards (PALS) programme have been continuing to provide benefits to PICTs. Regarding divisional highlights for EDD’s transport programmes, 12 maritime compliance audits were completed during the past year. Also, the Central Pacific Shipping Commission (CPSC) facilitated approval of three international shipping corporations with applications pending from three additional corporations; this will result in decreases in shipping rates for Kiribati, RMI, Nauru, and Tuvalu. Providing training on the International Convention on Standards of Training, Certification and Watchkeeping for Seafarers (STCW) is ongoing as is research in aviation transport. For 2014, EDD expects to complete ongoing solar and wind resource assessments under North-REP. EDD also expects to complete implementation of safety management systems for new ships in Tonga, Kiribati, Vanuatu, and Solomon Islands. In-depth analysis in both transport and energy will be accelerated with the division’s newly hired economist and monitoring and evaluation advisor. There are challenges for EDD in the upcoming year, however, as 95% of the division’s budget comes from short-term programme funding, creating uncertainty. Also, better coordination is needed between EDD’s energy and transport partners. Opportunities include the financial commitments made by development partners at the NZ Energy Summit of 2012. There is also an opportunity for support and resources linked to the Decade of Sustainable Energy for All (SE4ALL). The division has found new partners in the energy and transport sectors, including the World Bank, New Zealand, and the International Renewable Energy Agency (IRENA). The division’s new economist and monitoring and evaluation advisor will allow EDD to provide countries with more in-depth analysis and advice on long-term impacts in the transport and energy sectors. EDD looks forward to providing more emphasis on energy and transport policy and legislative support, examining energy efficiency opportunities in the transport sector, and having CPSC begin regulating shipping in the central Pacific region.

## **DISCUSSION**

56. The representative from the Federated States of Micronesia (FSM) said that the traffic legislation proposed by EDD is undergoing executive review.

57. The representative from Kiribati thanked EDD for its assistance on achieving reliable and affordable shipping to Kiribati’s ports. EDD has helped Kiribati’s seafarers achieve a better life by upgrading their qualifications.

58. The representative from Niue said that thanks to the new shipping service facilitated by EDD, the country could now trade with Fiji.

59. The EDD Director reassured the representative from Samoa on its legislative and regulatory support. EDD continues to support PICTs on compliance with international regulations. The director announced that EDD currently has three staff members providing legislative support to Samoa.

## **RECOMMENDATIONS**

60. CRGA agreed to recommend to the Eighth Conference of the Pacific Community that it:

- i. note the work and achievements of the EDD energy and transport programmes to date;
- ii. approve the revised EDD Strategic Plan 2013–2015.

## **AGENDA ITEM 2.2.4 – EDUCATION, TRAINING AND HUMAN DEVELOPMENT DIVISION REPORT**

61. The Deputy Director-General (Suva) introduced the ETHD Division, which is based in Suva and comprises four programmes: the Secretariat of the Pacific Board for Educational Assessment (SPBEA), the Human Development Programme (HDP), the Community Education Training Centre (CETC), and the Regional Rights Resource Team (RRRT). All four programmes are headed by women. They continue to effectively utilise available human and financial resources to deliver services and outcomes that fully align with the SPC Corporate Strategic Plan 2013–2015. Looking ahead, the total 2014 budget for the ETHD Division includes 5,546,300 CFP units in project funding and 1,985,500 CFP units in core funding. The Director presented 2013 highlights for each programme as follows:

- RRRT – completion of several draft bills addressing domestic violence and family violence; development of domestic violence legislative implementation plans for two Pacific Island countries; enrolment of 117 students in the USP Diploma Programme in Leadership, Governance and Human Rights; consultations and training for 1,216 participants from 14 Pacific Island countries; and the launching of seven major publications. In 2014, RRRT expects to continue to support countries in drafting VAW legislation and implementation plans; to continue consultations and training for judges, magistrates, lawyers, and civil society representatives; to continue legislative lobbying, advocacy, and training for nine PICTs; to publish policy papers on human rights mechanisms and support for the PIFS Regional Human Rights Working Group; and to compile statistical indicator guides for human rights reporting.
- HDP – completed gender profiles, including gender datasets, in three Pacific Island countries; it completed a stock-take of gender mainstreaming in six PICTs; the 12th Triennial Conference of Pacific Women and the 5th Pacific Ministers for Women Meeting were held with higher levels of participation than ever before; capacity building, including coordination and networking, for civil society organisations (CSOs) on gender equality issues was enhanced; the programme supported national gender equality policies; and AUD 3.8 million was received from Australia to support national gender mainstreaming over the next five years. Related to its other programmes, HDP provided support to National Youth Councils and the Pacific Youth Council (PYC); mapping of endangered cultural heritage sites was completed in two Pacific Island countries; development of cultural industries was strengthened in three countries; and national endorsement of cultural policies was achieved in two countries. In 2014, HDP will undertake gender-mainstreaming stocktakes in eight Pacific Island countries; the development of gender equality statistics indicators in six countries and policy reviews in four countries; providing coordination, monitoring and technical and advisory support for regional gender equality commitments; coordinating the 26th Council of Pacific Arts and Culture meeting; implementing the Pacific Regional Culture Strategy and the Pacific Culture and Education Strategy 2010–2015; building capacity and widening the national youth councils network; and implementing the Pacific Youth Council Strategic Plan 2013–2016.
- CETC – its final training cohort, comprising 32 women from 10 Pacific Island countries, graduated at the end of 2013. CETC celebrated its 50th Jubilee and 13 women received the CETC Golden Community Development Champion Award. In addition, CETC completed three publications, including the story of its 50-year history and its impact in PICTs.
- SPBEA – in 2014 SPBEA expects to complete the third round of national assessment of literacy and numeracy in three Pacific Island countries; complete the PILNA administrative document for 2015; develop a regional curriculum framework; introduce outcomes based assessment and national reporting of student achievement; and set intervention strategies to improve literacy and numeracy for four countries. In the areas of school policy and leadership, and teaching and learning, SPBEA expects to confirm countries' teacher competency training programmes; define and implement national teacher and principal standards in three countries; and benchmark policies, student assessment, teacher quality, and curriculum materials for three countries. Regarding the Pacific Register of Qualifications and Standards (PRQS), SPBEA expects to provide regional consultation on labour mobility; develop the details for the regional education quality assurance agency; and hold the first meeting of the PRQS Advisory Board. SPBEA also expects to complete research on the framework for education policy implementation.

62. The SPBEA Director presented the study, led by SPC, to ‘determine SPBEA’s future role in regional assessment and to identify how it can effectively work to improve educational quality in the Pacific, while maintaining a clear focus on performing its core activities to an international standard and also extending its relevant services to francophone members, further noting that the review of SPBEA should be carried out with the participation of members.’ (The report of the study is available on the SPC website.)

63. The Head of CETC said that as a result of an IER recommendation, CETC would close at the end of 2013 and its community development programme would be transferred to USP. One of the benefits for delivery of the programme was the university’s flexible and multi-modal means of instruction.

64. The Director, Centre for Vocational and Continuing Education, USP, then detailed USP’s approval process for the CETC courses. He noted that the programme would be open to a wide audience of students, including men and women, through USP’s regional outreach.

## **DISCUSSION**

65. Representatives thanked the Deputy Director-General and the programme directors for their presentations. Several countries urged USP and CETC to create a bridging course or certification option to enable recent CETC graduates to upgrade their certificates so that they would be eligible for tertiary studies like the students who graduated from CETC’s most recent cohort.

66. The representative of PNG noted that PNG has not achieved universal free primary education. Although PNG is not a member of SPBEA, it agrees on the primacy of education.

67. The representative of New Caledonia noted that the transfer of CETC to USP poses a problem for PICTs that are not members of USP. She urged that local links be created for non-member countries so that they can continue to use the USP services that replace those offered by CETC. New Caledonia also requested to participate in the SPBEA steering council.

68. The Director-General responded that discussions are underway with New Caledonia and Guam on maintaining access to CETC programmes offered by USP.

69. The representative from Wallis and Futuna thanked CETC for the workshop designed for francophone women. He also requested that training be offered to young women in counselling and social work. The Chair responded that SPC would discuss this training with Wallis and Futuna at a later date.

70. The representative from Kiribati expressed her country’s gratitude for ETHD’s services, which focus on empowering people. Kiribati is grateful for SPBEA’s support for improvement of literacy and numeracy rates and considered its suggested expanded mandate should be separated from the resourcing. Saying CETC has been instrumental in empowering Kiribati women, she paid tribute, on behalf of all of Kiribati’s CETC graduates, to its outgoing head, Dr Lia Maka.

71. The representative of Cook Islands commented that Cook Islands is not a member of SPBEA and that much of SPBEA’s work is not relevant to Cook Islands as it uses the New Zealand education qualifications. As a result, Cook Islands cannot commit to any of what was proposed in the SPBEA review.

72. The representative of Solomon Islands underscored the role and mandate of SPBEA, particularly in quality education for the early years. He also noted that the importance of CETC should be measured in 10 to 20 years, after USP has been performing its mission for that amount of time. The women who accessed CETC programmes in the past were those who had ordinary academic qualifications; there is a concern that those women will not be able to access similar programmes when they move to USP.

73. The representative of Australia noted the extremely important role of SPBEA. It is important to ensure that SPBEA’s structure, function, and funding remain sound under its changed mandate and now that it is a part of SPC. He acknowledged the important role that CETC played during the past 50 years and anticipated its continued functioning as part of USP. Australia is also pleased to continue to support RRRT.

74. The representative of Nauru commended CETC for its 50 years of programming. She also thanked RRRT for its support, for providing a country focal officer, and for its continued training for lawyers, judges, and members of parliament.

75. The representative of Kiribati acknowledged the assistance and support received from RRRT and announced that Kiribati's draft bill on domestic violence will have its first reading in parliament next month.

## **RECOMMENDATIONS**

76. CRGA agreed to recommend to the Eighth Conference of the Pacific Community that it:

- i. note the work and achievements of the Education, Training and Human Development Division in 2013;
- ii. approve the Education, Training and Human Development Division's new strategic plan for 2014–2016;
- iii. note the communiqués of the 5th Pacific Women's Ministerial Meeting and the 12<sup>th</sup> Triennial Conference of Pacific Women;
- iv. acknowledge RRRT's support to members, particularly its support for legislative change addressing gender equality and violence against women;
- v. note the recommendations of the SPBEA review, acknowledge the importance of expanding the mandate of SPBEA to encompass education quality, and agree to establish a joint working group of members and the secretariat to further assess the optimum approach and resources required to take the recommendations forward and present its findings and recommendations to CRGA 44 for its consideration.
- vi. place on record heartfelt commendation of the work of the Community Education Training Centre (CETC) over the past 50 years in empowering women in the region and acknowledge with appreciation the commitment by the University of the South Pacific (USP) to ensure that the quality of the CETC programmes and their accessibility will be maintained and improved.

## **AGENDA ITEM 2.2.5 - FISHERIES, AQUACULTURE AND MARINE ECOSYSTEMS DIVISION**

77. The Acting Director of the Fisheries, Aquaculture and Marine Ecosystems (FAME) Division outlined its three working areas: the Director's Office, the Oceanic Fisheries Programme (OFP) and the Coastal Fisheries Programme (CFP). In terms of the importance of fisheries in the Pacific region, he said that in 2012, the total tuna catch was 2.6 million mt (worth USD 7.2 billion). Of this, 60% was from the exclusive economic zones of PICTs. The catch from member flag territories was approximately 600,000 mt, worth USD 1.7 billion, 23% of the total catch. The total catch from coastal fisheries (subsistence and commercial) is estimated at 160,000 mt, worth between USD 230 and 500 million. The Division has a revised strategic plan 2013–2016, which will be reviewed internally every two years and externally every four years. Findings from assessments of the vulnerability of fisheries to climate change were delivered in five countries. At the Heads of Fisheries meeting in March, the survey of perceptions of recipients of FAME services showed an increase in their approval rating, from 75% to 85% for OFP and from 62% to 75% for CFP.

- OFP provides advice and information on albacore catch limits and tuna fisheries to national fisheries. Highlights of the work this year included stock assessments completed on two non-tuna species, the silky shark and the South Pacific swordfish. The silky shark was found to be severely impacted by longline fishing and has been overfished. The observer training is another highlight; almost 100 new observers have been trained this year so far, and national capacity to train and debrief has been enhanced. The data the observers gather have many scientific uses, and are also used to estimate the size and species composition of the catch. In addition, their observations and reports have made it possible to successfully prosecute illegal purse seine operators. Data management is an important aspect of OFP's work. The e-TUNALOG electronic reporting system, for example, was trialled on



purse seiners in Solomon Islands, FSM and RMI. Tuna tagging is a core activity of OFP's work: approximately 400,000 tuna have been tagged since 2006, and over 64,000 have been recovered (16%). This information is extremely useful. In collaboration with FFA, OFP supports national fisheries information management systems, in particular the 1-2-Fish project, which is driven by FSM and RMI and will be shared with other countries when development is completed. Also with FFA, OFP is assembling integrated data sets useful for detecting illegal, unregulated and unreported fishing activities.

- Highlights of CFP's work include a recent study of the sea cucumber fishery, which estimates that over the past 15 years it has provided USD 160 million in income to rural communities. According to the study, that amount could have been doubled if strategies had been in place to regulate the fishery. In other words, USD 160 million has been lost through poor management. SPC is now working with member countries making up the Melanesian Spearhead Group (MSG) to implement recommendations of the study report, which will guide the development of a new coastal fisheries road map for the region. CFP also produced a status report on reef and nearshore fisheries. It highlights the need for better data collection, monitoring and management, with a focus on private sector development. The CFP aquaculture team has supported a range of trials and development projects to establish viable enterprises, including a trial of aquaponics, in which there is growing interest. Under the IACT project, technical assistance was provided to selected ventures, including on mud-crab in Fiji and tilapia in PNG. Fish aggregating devices (FADs) are widely used. CFP has established data collection systems in American Samoa and FSM to undertake cost-benefit analyses and monitor the impacts and benefits of the FAD programme. Fishing trials to explore the potential for diamond-back squid were carried out in PNG in 2012 and Cook Islands this year. Findings indicate good potential for fishers in Southern Cook Islands. CFP also supports market access for fisheries products, focusing on export to Europe. Officials from the European Commission inspected systems in PNG and Fiji in preparation for this access.
- Key activities for 2014 include: implementation of the recommendations of the mid-term review of FAME's main AusAID-funded fish and food security project; hosting the mid-year technical meeting, combining the presentation of ACIAR projects with the annual steering committee meeting for EU projects and a consultation with Heads of Fisheries; assuming the Chair of the Marine Sector Working Group; a new big-eye tuna stock assessment programme building on the development of e-reporting by purse seine vessels and, later, long line vessels; and a new ACIAR community-based aquaculture project in Fiji, Samoa, Vanuatu and Kiribati.
- In 2013, the revised budget was 13.6 million CFP units and 85 staff were employed in FAME. In 2014 there has been a 26% reduction in funding. This could lead to the loss of 12 staff. Budget concerns include the ending of the SciCOFish project in March 2014, which will mean the end of observer training among other things. The Australia-funded climate change work ends in 2014, and this will mean, among other things, the end of the junior professional scheme unless other funding is secured. In addition, Australian-funded fisheries and food security and GIZ-funded community-based climate change activities end in 2014. However, it is hoped that funding from ACIAR and New Zealand will be forthcoming. Conversations with Australia and New Zealand have been encouraging, and there is the possibility of a new EU project.

## **DISCUSSION**

78. The representative of PNG thanked the Deputy Director-General and the EDD, AGTD and FAME directors for their comprehensive summary of activities. He commended the work of AGTD under its new leadership and thanked AGTD for the collaborative work with PNG on the continental shelf. He commended FAME on the collaborative work that has been undertaken, including the aquaculture work, and the tagging work funded by PNG.

79. The representative of FSM joined his colleagues in extending congratulations to the Chair on behalf of the FSM delegation on assuming the Chair. He also congratulated Marshall Islands on assuming the Vice-Chair. He thanked the outgoing Chair (France), and he thanked the host of this meeting for their excellent arrangements. He expressed his profound appreciation to Dr Jimmie Rodgers for his excellent performance as Director-General and extended his best wishes for the future. He asked to place on record his appreciation of the presentations of AGTD, EDD and FAME.

80. The representative of Solomon Islands congratulated the EDD, AGTD and FAME directors and the Deputy Director-General on their reports and budget directions. He had no difficulties with the recommendations for all three divisions. He congratulated Professor Petterson on taking up the position of AGTD Director. His presentation showed the breadth of the work of the division and the interconnection between the work of climate change resilience, mineral resources exploration and the mapping of maritime boundaries. Solomon Islands' boundaries overlap with five other member states and the division's work had been commendable. Only two were left and Solomon Islands will soon talk to Fiji and Vanuatu concerning these boundaries. There is a need for proper surveillance. Moreover, the boundaries must be completed before the work of deep-sea mineral exploration can start.

81. The representative of Kiribati thanked the Deputy Director-General Programmes for his presentation and commended the EDD, AGTD and FAME divisions for complying with the recommendations of the Independent External Review. She said it was possible to see what had been achieved and that SPC was really serving the region and adding value, despite the challenges. She congratulated Michael Petterson on his energy and vision and thanked him for the AGTD report, which showed what had been achieved in Kiribati and other PICTs. She specifically mentioned the KIRIWATSAN water and sanitation project in Kiribati and informed the meeting that there was evidence of a behaviour change in this area. She also mentioned the coastal erosion problem caused by the removal of aggregates from the beaches and the EU ESAT project, jointly implemented by FAME and the Government of Kiribati that is addressing this. An underwater survey of aggregates was carried out in the Tarawa Lagoon and unexploded bombs were cleared. She noted AGTD's comment regarding gaps in the service the division can offer, and said it was very important that SPC support the division's work and ensure that the gaps are filled. Qualified people have to be found to carry out the work, including the work on deep-sea mining and the legal frameworks involved. Kiribati especially supported the earth science course proposal and hoped for successful collaboration with USP. Kiribati also supported all the AGTD recommendations. The representative thanked the EDD Director for his report, and commented that they had seen results in Kiribati, such as the Central Pacific Shipping Commission, whose work addresses the issue of reliable, affordable shipping services. Seafarers are a major source of revenue for Kiribati and the country is grateful to EDD for their training. Regarding FAME, she said that fisheries are crucial for economic development and thanked the division for its technical and advisory support. She was concerned that some programmes were coming to an end but was encouraged to hope there might be new funding.

82. The representative of Samoa thanked the Deputy Director-General for his overview report. Regarding programme staffing, Samoa is pleased to note that more than 50% of internationally recruited staff under the Programme Directorate are Pacific Islanders (57%). What Samoa is interested to find out is what percentage of Pacific Islanders within this figure fall within the top half of the salary scale and what percentage are in the bottom half of the scale. Samoa would like to see an increase in Pacific Island personnel taking on key management and senior positions. Regarding the AGTD report, she said that Samoa had been involved in the discussion of the joint integrated framework for climate change (CC) and disaster risk management (DRM). Samoa's position remains that it supports the development of the framework to guide the region but maintains that authority/discretion be granted to countries to determine whether there is a need to develop a joint national action plan for CC and DRM or not. There is also a need for work attachments and in-country training on post-disaster needs assessment. Speaking of a recently developed AGTD database, she said the Disaster Management Office is puzzled about what DesInventar can do. Similarly, Samoa still has not been able to fully capitalise on the Pacific Catastrophe Risk and Financing Initiative Information System due to lack of capacity. Samoa has been included in the Oceania Regional Seismic Network (ORSNET) and work is being undertaken to link its seismic stations to ORSNET. Samoa understands that there has been a recent freeze in the funds previously provided for ORSNET, so perhaps the region, through SPC, needs to start thinking about strengthening ORSNET as a regional mechanism/system to improve monitoring, detection and warning for tsunamis. Much of the region is dependent on the Pacific Tsunami Warning Centre for tsunami information/alerts. Not all countries have seismic stations or the capacity to monitor and detect seismic hazards and therefore a regional approach is required in case funds are withdrawn or no longer available. She supported the name change for OIP (Ocean and Islands Programme) to Geoscience for Development because it will reflect better the lands resources element as Samoa needs to develop and manage its land resources. For example, Samoa needs an updated geology and hydrology database that can be utilised for better resource management and forecast of groundwater during dry seasons. Samoa supports the re-instating of the earth science course. Samoa's tide gauge has been upgraded but an attachment is

needed for someone to actually interpret tide data, and maintain IT systems and equipment fault-finding in the case of local data disruption. Samoa is also utilising this data for tsunami forecast and early warning.

83. The representative of New Zealand commented that it was clear AGTD has achieved a lot of successes and built up skills.

84. The representative of Australia welcomed the new Deputy Director-General, Programmes, and thanked him for his presentation. Australia is keen to discuss the move from project funding to core and programme funding, and multi-year funding.

85. The representative of Cook Islands supported Australia's comment. Regarding AGTD he commended the work of the Ocean and Islands Programme, the Disaster Reduction Programme and the Water and Sanitation Programme in Cook Islands. The waste-water meeting that starts today will discuss the work of the division. He thanked the division for the work in Cook Islands, especially the Geonetwork and the maritime boundaries work. Cook Islands looks forward to continued support. Cook Islands registers its support for the earth science course in view of emerging deep-sea mining work. With regard to the STAR network conference, he said the new 'star' will be born in October next year, in Cook Islands.

86. The representative of Fiji thanked the Deputy Director-General, Programmes, and the EDD, AGTD and FAME directors for their comprehensive presentations. Fiji had no problem with the recommendations but was amenable to Australia and New Zealand's proposal.

87. The representative of Niue welcomed the Deputy Director-General, Programmes, and thanked him and the EDD, AGTD and FAME directors for all the work. He thanked AGTD for organising the Disaster Risk Management and Climate Change conference, which had been very successful, and acknowledged the EU funding for the emergency centre building. Regarding the EDD report, he commented on the new shipping service, which will lead to trade opportunities with Fiji and other PICTs. Niue seeks assistance with a maritime framework with PIMLA and also requests support for its agriculture sector management plan and inshore fisheries management plan.

88. The representative of New Caledonia thanked the EDD, AGTD and FAME directors and the Deputy Director-General, Programmes, for their clear and comprehensive reports. The link between objectives and results is very clear in each division. New Caledonia is interested in the publications and suggests that a short quarterly be published that shows work in relation to the strategic corporate plan.

89. The representative of Guam thanked Dr Rodgers for 'putting his heart and soul' into SPC. She thanked the EDD, AGTD and FAME directors and the Deputy Director-General, Programmes, saying Guam greatly appreciated their work. The Governor of Guam was on Obama's Climate Change Task force and would be using SPC material. He invited all the directors to take advantage of the research and information at the University of Guam.

90. The representative of Tonga expressed Tonga's concern that the rate of implementation of projects in Tonga was not as quick as they would like due to resource constraints. Secondly, marine boundaries delimitation and the continental shelf must come into discussions about deep-sea mining. Tonga has five or six neighbouring boundaries and resource constraints mean that Tonga has not completed discussions with all. They need SPC and New Zealand and Australia to complete discussions.

91. The representative of Vanuatu acknowledged the Government of Fiji for hosting the meeting and welcoming the delegates. He recognised the new members of the SPC executive and acknowledged Dr Rodgers' years of service. He thanked the Deputy Director-General, Programmes, and the EDD, AGTD and FAME directors for their comprehensive and useful reports and noted the many new strategies that address IER recommendations. He commended the AGTD Director for bringing new energy and drive to the division, e.g. initiating the earth science course and the ongoing national initiatives. He thanked the division for its assistance in recalibrating Vanuatu's mineral database. He said Vanuatu had no problem with the recommendations.

92. The Deputy Director-General, Programmes, responded to Samoa's query: Regarding the breakdown of the number of internationally recruited staff, the information would be given tomorrow. In response to the questions from New Caledonia and Australia: this was a legitimate and appropriate question on core funding. The relationship between project and core funding needs improving.

93. The AGTD Director noted the strong support from several countries. The division had held a thematic meeting in Cook Islands at which there was much discussion of the work of AGTD. He spoke about the need to protect the few skilled people the division has, and to bring in a geohazards expert and people with a broad knowledge base. Funding is a big constraint. He plans to work with donors on a new strategic plan. New ways of thinking and new donors are called for.

94. The EDD Director thanked the delegates for their support. Regarding Samoa's question, he said that the Transport Programme will continue to provide legislative and compliance support to countries.

95. The FAME Director thanked the delegates for their support.

## **RECOMMENDATIONS**

96. CRGA agreed to recommend to the Eighth Conference of the Pacific Community that it:

- i. approve the FAME Division's revised Strategic Plan 2013–2016, noting that it has already been endorsed by Heads of Fisheries;
- ii. note the achievements of the FAME Division in 2013;
- iii. note with concern the problems that the division may face in delivering key services in 2014/2015, and urge the European Union and Regional Authorising Officer to consider timely support for a follow-up fisheries project under the EDF 11 regional programme; and
- iv. note the outcomes and recommendations of the 8th Heads of Fisheries Meeting.

## **AGENDA ITEM 2.2.6 - LAND RESOURCES DIVISION REPORT**

97. The Acting Director of the Land Resources Division presented the report on the division's activities in 2013 and its 2014 work plan. Based on the strategic framework endorsed by the 2012 Ministers of Agriculture and Forestry Meeting, and approved by CRGA 42, LRD completed a new strategic plan for 2013–2017. The plan, which the division was submitting to CRGA for endorsement, builds on lessons learnt from implementing LRD's two earlier plans, and proposes a new structure for the division. LRD's new structure will move from a thematic approach to a programmatic focus consistent with other SPC divisions. Under this new structure, the division will strengthen its focus on results and its capacity to support PICTs in the area of policy, legislation and planning. This focus will also translate into improved support for members' effective participation in important international forums. LRD would be moving towards a whole of division approach to provide more integrated services. The Acting Director mentioned several highlights of the division's work in 2013, including its support for agricultural and forest resource enterprises through the Increasing Agricultural Commodity Trade (IACT) project; the training of para-veterinarians, which will help combat zoonotic diseases; the conservation of agrobiodiversity through the Centre for Pacific Crops and Trees; and provision of advice in the area of sustainable forest management. In 2013, 82% of the division's funding came from project funding, posing a challenge to the division in terms of sustaining its key services. For 2014, core funding was expected to decline, but this would be compensated for by a rise in project funding, raising the overall percentage of the division's project funding to 85%.

## RECOMMENDATION

98. CRGA agreed to recommend to the Eighth Conference of the Pacific Community that it:
- i. approve the draft Land Resources Division strategic plan for 2013–2017, noting it is based on the framework that was endorsed by the 2012 Meeting of Ministers of Agriculture and Forestry and approved by CRGA 42.

## AGENDA ITEM 2.2.7 – PUBLIC HEALTH DIVISION REPORT

99. The PHD Director presented highlights of the division's work during the year and its work programme for 2014. PHD had followed up on the IER and developed a new strategy, and it would continue to act as principal recipient the Global Fund and Response Fund. He noted that there were many actors in the region's health sector and it was not always clear who should do what to get the most value from resources invested. He said that heart disease and diabetes were big killers, requiring a societal response not just a public health response. Comparing the size of the problem and the amount of resources available, it seemed clear that there was a lack of resources. He noted that the region had low prevalence of HIV, which was a positive element, but that nevertheless there were high rates of other STIs. There was, however, good funding support for work in this area. He pointed out that in general, health only received attention when things went wrong; hence there was much less attention paid to issues such as diets and exercise. The Healthy Islands – Healthy People strategy refers to the importance of and links between a healthy environment and a healthy population. SPC was moving forward to implement the IER recommendation that SPC as a whole build its grant management capacity. It was also aligning with the Forum and others on health-related issues. The Pacific Public Health Surveillance Network (PPHSN) was continuing its surveillance work. Its Coordinating Body included SPC, WHO, CDC, Pacific Islands Health Officers Association, and Fiji National University, and it worked very well. The public health strategy emphasised going back to basics, including surveillance, strategic health communication, and training at the local level, and was moving away from programmes focusing on just one area. Work would continue on NCDs, STIs and PPHSN. The strategy also emphasised reducing reliance on external experts and building in-house capacity in areas such as economic analysis. An area to look at was reform of the regional health architecture, as there was a lot of spending on health but more coordination was needed. PHD's focus in 2014 would be primarily on implementing the new plan. Its budget would continue to be dependent on project funding. To conclude, PHD was trying to reposition itself to concentrate on initiatives where it could make a good contribution. Health had to be central in development efforts, and it was important to focus on leadership and on mobilising resources, including non-financial ones. In closing he noted that PHD would benefit from the skills of a resource economist and invited member countries to consider seconding one to SPC.

## RECOMMENDATIONS

100. CRGA agreed to recommend to the Eighth Conference of the Pacific Community that it:
- i. approve the PHD Strategic Plan 2013–2022, titled 'Healthy Islands – Healthy People';
  - ii. note the achievements of PHD in 2013;
  - iii. note the outcomes from the inaugural Chief Executives/Directors/Secretaries of Health (Health CEOs) Meeting and the development of the Framework for Health Development in the region;
  - iv. note the outcomes of the 10th Pacific Health Ministers Meeting outlined in the 'Apia Communiqué' with respect to non-communicable diseases (NCDs), the 'Healthy Islands' vision, and the post-2015 development agenda;
  - v. note the recommendations of the 17th Forum Economic Ministers Meeting, and the development of the NCD Roadmap for the region, to assist with the overall NCD prevention and control efforts currently underway.

## **AGENDA ITEM 2.2.8 – STATISTICS FOR DEVELOPMENT DIVISION**

101. The SDD Director presented highlights of the division's work during the year and its work programme for 2014. He noted that statistics contributed to many different areas, including health. He explained that SDD was in the third year of a four-year plan, which was aligned with Phase one of the Ten Year Pacific Statistics Strategy, funded by Australia. In the area of statistical collection, surveys were very expensive but they provided useful information. For example, when the Millennium Development Goal (MDG) initiative started there was little information available about where countries stood, especially regarding poverty. When SDD first undertook to produce a report on MDGs, it had poverty information for only 4 out of 14 Forum Island countries; for its most recent report it had information for all 14 Forum Island countries, and multiple data points for 7 of them, allowing it to monitor progress. The data SDD had from demographic and health surveys allowed it to examine why life expectancies were declining in some countries (NCDs were largely responsible for the change). SDD had excellent collaboration with the Australian Bureau of Statistics and was grateful to New Zealand for supporting economic statistics and south-south cooperation. There had been good progress in civil registration and vital statistics. Data in this area were essentially non-existent before SPC started the work a few years ago. Collaboration between agencies was very effective. Analysis of statistics was important – SDD had developed demographic and health survey fact sheets, which pull out important information from the surveys and include policy analysis. The division was continuing dissemination activities through its publications. SDD was happy to announce that the NMDI database had been extended to cover the French territories and would be starting in the US territories. He said that SDD had shared the NMDI software and other elements with SPREP, and had similarly collaborated with PIFS. Regarding the division's budget, 26% was core, which was somewhat better balanced than for other divisions. In the near future, health (NCDs), climate change and disaster risk management, and education (education management information systems) would be areas of focus.

### **DISCUSSION OF AGENDA ITEMS 2.2.6, 2.2.7 AND 2.2.8**

102. The representative of Cook Islands thanked SPC for its work through LRD. He noted that Cook Islands supported phase 2 of IACT and looked forward to its start, which was expected in early 2014. He said that several issues of importance to Cook Islands had been successfully addressed, including the eradication of oriental fruit fly, and he expressed the thanks of Cook Islands to SPC for its support in this area. He thanked SPC for its support through the Grant Management Unit and the multi-country HIV and tuberculosis grants, and congratulated SPC on the launch of a book that showed the impact of the work in the area of HIV and STIs. He said that Cook Islands commended SPC's work in Cook Islands and the rest of the Pacific to improve statistics, noting that the Cook Islands national statistics office was a major recipient of SDD services. He said Cook Islands supported all of the recommendations.

103. The representative of PNG thanked the Chair and the LRD, PHD and SDD directors. He said that PNG supported the recommendations. He noted that the work of LRD touched the livelihoods of most of PNG's people, and that many had seen benefits from it. He particularly commended SPC's work in the areas of food and nutritional security and paravet training. In the area of public health, he commended the emphasis on collaborative work, especially in the areas of HIV and NCDs. He thanked the SDD Director for his patience with PNG, his enthusiasm and his support for south-south collaboration. He noted the importance of economic statistics.

104. The representative of USA said that USA supported the recommendations and also supported the PHD strategic plan. He noted that the potential to leverage cross-sectoral approaches is a strength of SPC. He noted that USA provided supported through the Centers for Disease Control and Prevention (CDC) for surveillance systems and compliance with international health regulations. He said that CDC was glad to participate in the PPHSN Coordinating Body. He noted that SPC's relationship with WHO was very important, and that this collaboration helped ensure that there was no duplication of services. He commended SPC's excellent collaboration with WHO and CDC. In closing, he noted that SPC had proposed to expand PPHSN to NCDs and injury surveillance and response and asked to what extent this proposal had been circulated and discussed with WHO and member countries.

105. The representative of Samoa thanked all of the morning's presenters, and noted that Samoa valued these services. In the area of public health, she said that it was important the reporting tools were easy for grant sub-recipients to understand and use. She also requested that SPC continue to advocate for the continuation of funds for national programmes on STIs, given that Samoa had one of the highest infection rates in the region. She also noted that data management continued to be a challenge, with continuing problems in recording data in outer island clinics, and that this tied in with SDD work. She said that Samoa strongly commended this work. She noted that it was good to see SPREP and PIFS had found value in the work of SDD and had sought collaboration, and suggested that perhaps they should pay for these services.

106. The representative of New Caledonia congratulated the divisions on their useful work for the region and thanked SDD for including the French territories in the NMDI database, which made possible regional comparisons and allowed other SPC divisions and other organisations to adjust their programmes to the needs of each member. She said that New Caledonia was taking part fully in PPHSN, which was important for the well-being of the population. SPC's work on market access was also important. She noted that climate change was a threat underlying the work of all divisions and asked to hear from SPC about its approach to climate change.

107. The representative of Kiribati thanked the divisions and noted that their priorities were aligned with national priorities. As an atoll nation, Kiribati appreciated SPC's work on crops well adapted to atoll environments. She noted that food and nutritional security was an important issue for Kiribati, so altogether LRD was an important division for the country. In the area of public health, Kiribati understood the value in working with non-health sectors to fight NCDs and was pleased to see collaboration on tackling these diseases. She acknowledged development partners for supporting these services. In the area of statistics, she noted that Kiribati was aware of the importance of statistics in informing policy decisions, and that there should be equal emphasis on analysing data, not just collecting it. She said that the capacity building in that area at country level, especially in relation to economic data, was key.

108. The representative of Solomon Islands said that Solomon Islands was satisfied with the work of the divisions. He acknowledged the services of LRD and its work on developing its strategic plan, which emphasises not just individual areas such as crops, trees, etc. but also important cross-cutting issues such as climate change. He said Solomon Islands endorsed the plan. In the area of public health, the country welcomed the achievements of PHD and commended the division's leadership and staff for the report. He pointed out that development is mostly determined by the 'natural health' of a country. He said that Solomon Islands appreciated the approach set out by the 10<sup>th</sup> Health Ministers and 17<sup>th</sup> Forum Economic Ministers Meetings in focusing on individual sectors and the post-2015 agenda. In the area of statistics, he noted that there were important issues relating to the formulation of national priorities – the use of statistics is critical in sectors. It is not sufficient to compile them – it is necessary to ensure they are used. Hence it is important to know whether member countries are using them.

109. The representative of Fiji commended the presentations and said that Fiji supported the recommendations. With regard to land resources, she thanked LRD for the support it had provided to the Fiji government. She said that Fiji looked forward to working together with the division based on the new strategic plan. In the area of public health, she said that it was important to keep in mind the cross-cutting nature of health, particularly in areas such as NCDs, and that therefore a cross-cutting approach was needed. With regard to statistics, she said Fiji thanked SPC for its support in this area. Lessons had been learned through the experience in monitoring the MDGs, especially MDG 6 (combat HIV/AIDS, malaria and other diseases). She said that the late start in that area would affect progress on monitoring the future Sustainable Development Goals.

110. The representative of Niue thanked the directors and the divisions. With respect to LRD, he said that Niue would continue to work with SPC on its priorities. He noted that Niue had expected several elephants to be coming to the country and asked for assistance from SPC with making sure they were free from disease. Although the plan had changed, Niue was glad to be able to know where to turn for authoritative advice in such a case. In the area of public health, he said that the theme 'Healthy Islands – Healthy People' was relevant because health cuts across many sectors and multi-sector approaches were required. He noted that prevention was key. He also noted Niue's HITS (Healthy Islands Through Sport) programme, which brought together the ministries of health and sports. Regarding statistics, he thanked SPC and said that with help from

SDD the Niue national statistics office was doing an excellent job. The Chief Statistics Officer had been appointed Chief Immigration Officer too, showing that statistics are being used.

111. The representative of New Zealand thanked the Chair and the divisions for their presentations. He said that New Zealand congratulated SPC on the new PHD strategic plan, noting that it was well thought out and helped define SPC and its niche in this area. He said that New Zealand would seek more engagement with SPC on the capacity building component.

112. The representative of Wallis and Futuna thanked Fiji for hosting the meeting, the Director-General for his contribution to the development of the region, welcomed the new Deputy Directors-General and thanked the division directors. He said that Wallis and Futuna worked mostly with AGTD and PHD. The territory had benefited from the knowledge of AGTD, and PHD had assisted it with successfully hosting the Pacific Mini Games in 2013, helping the territory's development and earning the gratitude of the whole population.

113. The representative of France thanked the divisions that had reported. He said France continues to invest a lot in the area of health, particularly in fighting tuberculosis and HIV. France was working with partners to promote an international insurance system to cover all, which is very important in an island region. Highlighting the importance of links between different divisions, he said that health touches many areas and that France fully supported this integration within SPC. He noted that SDD had data in each area that could help other divisions.

114. The DDG, Programmes, responded to the question raised by New Caledonia on what was being done to incorporate climate change in the organisation, noting that there would be a presentation on that subject later in the agenda. Climate change has been within SEPPF, and was now being moved to the Programmes Directorate. He explained that the idea was not to have a separate programme but for climate change to be part of each division's work – with advisors in each division to ensure integration. There would also be a centralised portion within the office of the DDG, Programmes, to ensure cooperation and to take care of administrative tasks. He thanked the donors, including Australia, the EU, Germany and USA, for providing financing for this work.

115. The PHD Director said that he was reassured to hear the expressions of support. The Healthy Islands – Healthy People title was based on the Yanuca Island Declaration adopted by Pacific Ministers of Health in 1995, and PHD hoped to take it forward. To answer the question from USA, he said that he considered the expansion of surveillance to NCDs to be a challenge for the future. He said that it was important to note that different islands have different sizes, needs and capabilities. Bigger islands have bigger capabilities, and smaller islands may have very limited capacity. Therefore it would not be possible to have surveillance for everything, but the hope was that after consultation, a method and approach could be found that countries would find useful. To answer the question about whether the proposal had been circulated and discussed, he said that it had been, and that strong views had been expressed on whether it was desirable, feasible, etc. He said that the next step would be to come to an agreement that met various needs, and he was confident that it could be done. He hoped to report next year on progress. To answer the concern expressed by Samoa, he said that SPC is just the messenger, passing on the information about the reporting expectations it has to meet for donors. He said that simplifying reporting was the subject of ongoing discussion with donors.

## **RECOMMENDATIONS**

116. CRGA agreed to recommend to the Eighth Conference of the Pacific Community that it:
- i. note the work and achievements of the Statistics for Development Division in 2013 towards implementing Phase 1 (2011–2014) of the Pacific Statistics Strategy Action Plan and the Ten Year Pacific Statistics Strategy 2011–2020;
  - ii. note the positive mid-term review of SDD's work in implementing Phase 1 of the Ten Year Pacific Statistics Strategy, and the endorsement of the review team's key substantive recommendations by the 4th Regional Conference of Heads of Statistics and Planning in July 2013;



- iii. note progress made in developing economic, vital and education statistics and efforts to assist members to improve their administrative databases and management information systems in these sectors, and current activities in developing a regional core set of climate change, disaster risk management and environmental statistics;
- iv. recognise the opportunities and challenges identified and the role members can play in addressing some of them.

## **AGENDA ITEM 2.3 – STRATEGIC ENGAGEMENT, POLICY AND PLANNING FACILITY (SEPPF) REPORTS**

### **AGENDA ITEM 2.3.1 – SEPPF 2013 HIGHLIGHTS AND 2014 WORK PROGRAMME**

117. SEPPF has four priority areas for 2013 and 2014: (a) increasing development effectiveness, (b) coordinating external relationships; (c) strategic and future business planning; and (d) multi-sector coordination and advice. SEPPF also works on mainstreaming youth, gender, and climate change across the organisation, in addition to facilitating SPC's climate change program, which will move to the Programmes Directorate in 2014. SEPPF also plays a coordinating role in multi-sector issues, including NCDs, food security, and youth. A programmatic focus on youth is being implemented, with an emphasis on four areas: employment and education, health, governance, and the environment. The Pacific Youth Ministers Meeting, facilitated by SPC and hosted by the Government of New Caledonia and the Oceanic Football Association, scheduled for 7 December 2013. In addition, SEPPF coordinates SPC's external relationships with PICT members, metropolitan members, development partners and technical institutions. SEPPF is proposing to review the joint country strategy (JCS) process in line with the recommendations of the 2012 independent external review of SPC (IER) through the establishment of a JCS working group in early 2014. The JCS working group will review and refine the JCS process with particular attention to defining objectives and expectations. Its work will be guided by respecting the principles of results, responsiveness, ownership and partnerships with members whilst being aware of ongoing dialogue on regional initiatives. In carrying out the review, the JCS Working Group will consider results of recent JCS reviews and IER recommendations; consult with PICTs, partners, and SPC divisions on the usefulness and role of the JCS in their strategic and annual work plans; and benchmark SPC programmes against those of other international organisations to study best practices. The ability of SEPPF to properly address these priorities is hampered by a lack of funding. With the transfer of its climate change programme, SEPPF will have a smaller and more focused team. The Director, SEPPF, requested interim transition funding until its new financing strategy is in place.

## **RECOMMENDATIONS**

118. CRGA agreed to recommend to the Eighth Conference of the Pacific Community that it:
- i. note the focus of the Strategic Engagement, Policy and Planning Facility (SEPPF) in 2013–2014 on increasing development effectiveness, coordinating external relationships, strategic and future business planning, multi-sector coordination and advice and encouraging greater ownership of development outcomes among members;
  - ii. recognise that while SEPPF has reduced the size of its staff to focus on core business, immediate budget constraints may hamper progress unless transition funding can be found and until the work on full cost recovery has an impact;
  - iii. support the formation of a Joint Country Strategy (JCS) Working Group, comprising CRGA members and SPC divisions to develop a proposal for the new JCS process, noting that Australia, Federated States of Micronesia, Fiji, Kiribati, New Caledonia and Marshall Islands expressed interest in participating in this working group, which is expected to begin work in early 2014.

- iv. note the approach SPC will be taking in the youth area – that is, focusing on enhancing opportunities for engagement in youth issues within SPC’s technical areas – as a possible model for work in other multi-sector areas.

### **AGENDA ITEM 2.3.2 – MANAGING FOR DEVELOPMENT RESULTS: MONITORING, EVALUATION AND LEARNING**

119. After presenting Paper 2.3.1, the Director, SEPPF, introduced SPC’s Senior Advisor, Monitoring Evaluation and Learning, and SEPPF’s monitoring and evaluation consultant. Over the past two years, there has been a steady strengthening of monitoring, evaluation and learning (MEL) processes across SPC. This work is led by SEPPF in close collaboration with divisional management and staff. The goals of SPC’s focus on MEL are to provide improved services to PICTs, to improve accountability to donors and to position SPC to mobilise resources better on behalf of PICTs. Key MEL achievements include the following: (a) greater definition of strategic objectives and the results framework in SPC’s new Corporate Strategic Plan for 2013–2015; (b) increasing divisions’ and programmes’ focus on results, for example in new divisional strategic plans, the latest CRGA country reports, and external project evaluations; (c) further roll-out of the new web-based Integrated Reporting Information System (IRIS); and (d) promotion of cross-divisional learning through a series of targeted learning events. According to SEPPF’s monitoring and evaluation consultant, due to the nature of donor funding, which is predominantly project-based, SPC has historically focused its monitoring and evaluation at project level (funded as part of projects). Most of SPC’s evaluations were undertaken by external consultants or commissioned by donors with limited SPC involvement. It is important for SPC to balance this tendency by ‘raising its gaze’ from specific projects to a ‘whole of SPC’ level of analysis. SPC should also focus on achieving a balance of activity reporting and analysis, accountability and improvement. It is important for SPC to develop organisation-wide systems that encourage ‘double loop’ learning among managers and technical staff. Evaluations need to reveal not only what was accomplished and achieved but also ask strategic questions like whether programs are performing the right functions in the best locations to achieve programme outcomes and whether SPC is getting the greatest value for resources spent. She recommended having a MEL specialist in each of SPC’s divisions, noting an investment of resources is necessary for that to occur. SEPPF performs JCS reviews involving relevant partners from key divisions, government departments, and other development agencies. This includes working closely with monitoring and evaluation officials from ministries of planning in the design and process of the reviews. In addition to the country-specific work reflected in the JCSs, SPC also undertakes a substantial amount of work at the regional and subregional levels; better evaluation of this work is necessary on a sectoral basis to understand where SPC makes the most difference, including why and how SPC adds value to regional development outcomes. In 2014, there will be a dedicated IT specialist to further refine the IRIS system based on lessons learned from its pilot implementation, and improve the system’s functionality and uptake. SPC will continue to produce annual CRGA reports for each member PICT. SEPPF will continue to promote cross-divisional analysis and learning and mobilise resources to increase MEL capacity across SPC. MEL at SPC has good foundations but there must be greater analysis and learning regarding the difference SPC is making; increased PICT involvement in assessment of national and regional outcomes to the point that it is practical for member PICTs; and investment of more resources and improvement of internal incentives to get SPC’s MEL systems working efficiently to meet the needs of members, donors, and SPC itself.

### **DISCUSSION OF AGENDA ITEMS 2.3.1 AND 2.3.2**

120. The representative from Fiji registered the government’s appreciation for the post-disaster training it received from SPC in October. Fiji recognises that its partnership with SPC has developed over the years. The JCS reports provide value and Fiji looks forward to a full review next year, the findings of which will be used in preparing its post-2014 development plan. Concluding his remarks, the representative from Fiji registered the country’s interest in participating in the JCS working group.

121. The representative from RMI said that SPC’s strategic partnership building efforts were fruitful but there were areas for improvement. He emphasised the need to create partnerships with regional airline services and between civil aviation authorities and airlines that service the region. This would facilitate regional travel and tourism. The representative from RMI also said that ‘SEPPF is like a lifeline to SPC’ and requested that SPC strengthen its North Pacific office.

122. The representative from Samoa expressed encouragement for the work carried out by SEPPF, particularly in multi-sectoral and crosscutting issues. She requested that creative solutions be found for SEPPF's funding difficulties.

123. The representative from Solomon Islands said SEPPF's JCS efforts should be given special recognition in terms of human and financial resources. The JCSs will demonstrate to SPC whether it is delivering the right services to PICTs. He also noted the large amount of resources required for a robust M&E framework, although the amount is justified by the importance of project evaluation. He requested that cross-divisional learning experiences should extend to other SPC offices within the region. Concluding his remarks, he expressed Solomon Islands' interest in participating in the JCS working group.

124. The representative from Tuvalu expressed gratitude to SPC for the high quality of the presentations and thanked the Director-General for his support and staff for their efforts and dedication to member countries. He looked forward to the JCS review plan for Tuvalu. He also requested further dialogue between SPC and Tuvalu's IT staff on implementing reporting functions and training on IRIS.

125. The representative from Wallis and Futuna expressed appreciation that climate change and disaster risk management were being combined in a strategic-level programme and commended SEPPF for bringing these two areas together. He also requested that IRIS be implemented in Wallis and Futuna and that associated training be provided.

126. The representative from Australia thanked SEPPF for the excellent presentations and their efforts on SPC's corporate strategic plan. He encouraged the participants to reflect on ways to increase resourcing for SEPPF and whether within-year savings could be re-allocated to the facility. He said 5% of programme budgets should be allocated to monitoring and evaluation according to guidelines from the Organisation for Economic Co-operation and Development (OECD), and that SPC should provide a clear narrative of its higher-level results. He expressed Australia's interest in participating in the JCS working group.

127. The representative from France commended SEPPF for its accomplishments and outstanding implementation of the IER recommendations. He expressed satisfaction that SEPPF would be a 'competent partner' in future undertakings.

128. The representative from Kiribati noted SEPPF's funding constraints and its important role and expressed support for the comments by Samoa and Australia related to SEPPF's funding difficulties. Acknowledging SEPPF's collaborative efforts on Kiribati's first and second JCS, she said the JCS mechanism is a good way to assess the effectiveness of programmes, based on the national priorities of member PICTs. She also said that Kiribati is exploring a Kiribati CROP Coordinating Committee to improve coordination and work across sectors. She expressed Kiribati's interest in also participating in the JCS working group.

129. The representative from New Caledonia said national stakeholders would examine the JCS report to see how it can be implemented into national priorities. She requested additional opportunities for PICTs to read JCS reports and provide feedback prior to publication; one opportunity could be at annual meetings.

130. The representative from FSM said it is in the process of reviewing its JCS, with emphasis on improving it. He requested assistance from SPC in this review process. He expressed FSM's interest in participating in the JCS working group.

131. The representative from Cook Islands expressed appreciation for the visit by SEPPF to Cook Islands in June for collaboration on its JCS. He also stated Cook Islands' interest in participating in the JCS working group.

132. The representative from Niue said that SEPPF's focus must be on its objectives, especially considering CRGA's approval of its formation and its location within the Director-General's office. He commented on SEPPF's monitoring, evaluation, and learning emphasis, stating that importance should be placed on learning.

133. The Director, SEPPF, responded to the comments by acknowledging that JCS reports should first be reviewed by countries before they are published. He invited changes to the present reports from the PICT governments and recognised that many PICTs are anticipating the next stage of the JCS process. He welcomed members' interest in serving on the JCS working group and said SEPPF will contact them as well as the countries that expressed interest in IRIS.

## **RECOMMENDATIONS**

134. CRGA agreed to recommend to the Eighth Conference of the Pacific Community that it:
- i. endorse the following proposed reporting processes to enhance CRGA's ability to monitor, evaluate and learn about the effectiveness of SPC's work for members and the region:
    - a. annual CRGA reports for each member country and territory providing an overview of SPC's work during the year (similar to those produced for 2013), noting that members request the opportunity to review the draft reports before they are published;
    - b. improved participatory JCS reviews of SPC's contribution to changes at the national level – starting with two JCS reviews in 2014 (to be determined as part of the review of JCS processes);
    - c. improved participatory reviews of the contribution of SPC's regional work – starting with two regional sector reviews in 2014;
    - d. improved results frameworks in divisional strategic plans and the Corporate Strategic Plan, which will be reported on regularly and evaluated at the end of each plan period;
  - ii. agree that progress on monitoring, evaluation and learning has been constrained by lack of resources, and that increased core/programme funding is required to improve results-focused evaluation and reporting across the organisation.

## **AGENDA ITEM 2.4 – OPERATIONS AND MANAGEMENT DIRECTORATE REPORTS**

### **AGENDA ITEM 2.4.1 – 2013 DIRECTORATE HIGHLIGHTS AND 2014 WORK PROGRAMME**

135. The Deputy Director-General, Operations and Management, said OMD was established in January 2011 as part of SPC's structural reorganisation. It includes SPC's administrative, travel, property management, human resources, ICT, library, publications and translation and interpretation functions. OMD recently began providing legal expertise to SPC. As an integrated directorate, SPC's corporate services and programme support services are no longer separate entities and have the common goal of serving SPC's programmes and its members. While SPC has been growing rapidly, its operations and management functions have not; its staffing comprised 160 personnel in September 2013. As the IER in 2012 pointed out, resources and systems available to OMD have not matched expectations and requirements. As a proportion of SPC's budget, the share devoted to operations and management functions has decreased. While this trend continued in 2013, the Financial Year 2014 budget provides modest additional core funding for OMD that will help relieve some pressure points, particularly in human resources, finance and ICT. Additional project funding from Australia for systems improvements in these key functions has been of great benefit and the Deputy Director-General expressed the directorate's thanks for this infusion of funds. OMD made several achievements in 2013. The travel functions of the former SOPAC were merged into SPC's travel office. The IT team focused on consolidating the corporate network and completed a review of SPC's document management system, which will be phased out in favour of a cloud-based system. The SPC Library recently reserved space in Suva and implementation of SPC's digital library should begin soon. The demand for the services of the Publications Section and Translation and Interpretation Section have never been higher but their resources have not increased. With the restructure of OMD, all managers now report directly to the Deputy Director-General, OMD. Among other benefits such as quicker decision-making, savings from this new flatter organisational structure have allowed the establishment of a new Director, Human Resources,

position. Recognising the strategic importance of HR, the director is part of SPC's executive management team. From 1 January 2013, the managers of the decentralised offices in Federated States of Micronesia and Solomon Islands also began reporting to the DDG, Operations and Management, in response to the IER's finding that the 'long-standing tradition of all senior management positions reporting to the Director-General was no longer viable'. Also in response to an IER recommendation, OMD expects to complete revised operations manual for CRGA 44. Looking forward, OMD has a five-year strategic plan for the directorate, with implementation beginning in January 2014. The strategic plan will focus on ten pillars: accountability, commitment, communication, excellence, integrity, innovation, partnership, teamwork, trust, and fun. The new goal of OMD is to be a model operations and management division for international organisations. The Deputy Director-General concluded by stating that he is privileged to lead a team of such high calibre staff.

## **RECOMMENDATIONS**

136. CRGA agreed to recommend to the Eighth Conference of the Pacific Community that it:
- i. note progress in implementing the 2013 work programme of the Operations and Management Directorate;
  - ii. approve the outline of the 2014 work programme, which includes strengthening recruitment processes and producing a comprehensive operations manual for the secretariat;
  - iii. note that a multi-year programme to further strengthen OMD is in development;
  - iv. further note the commitment of the Operations and Management Directorate to be an example of best practice in providing its services in support of the Programmes Directorate and SPC as a whole, benchmarked against the highest international standards.

## **AGENDA ITEM 2.4.2A – HUMAN RESOURCES: RECRUITMENT AND RETENTION ISSUES AND PRIORITIES FOR ACTION**

137. The HR Director said that the IER report led one to believe nothing is good about HR at SPC, but this was not true. She said that a good, dedicated team was in place. There were issues, including a lack of high-level advice to directors and the Director-General, the fact that the system was seen as bureaucratic and rule-bound, possible inequity between offices in the area of health insurance, and unclear guidelines that led staff to seek advice, increasing the workload for HR staff. Recruitment had been slow, and through good progress had been made, there was more to do. She noted that recruitment was very important, involving getting the right people in the right place at the right time. People were looking for exciting work at a good workplace, which SPC could provide, but they were also looking for good pay and benefits comparable to what they could find elsewhere, and SPC was falling behind in that area. There had been a small number of candidates for some vacancies, pay negotiations had sometimes been very lengthy and complicated, and some posts had to be re-advertised. Analysis had shown that 57% of people who left SPC had resigned rather than waiting until the end of their contracts. Looking to the future, SPC HR would continue to work on recruitment – for which a new person was being hired – work on making rules more easily available, review terms and conditions for local staff, and review health plans for equality of coverage, perhaps saving money in the process. HR would monitor its progress in these areas and benchmark SPC against other international organisations. In closing, she said that HR was a nexus between an organisation's strategic objectives and culture – the only way to achieve desired results.

## **RECOMMENDATIONS**

138. CRGA agreed to recommend to the Eighth Conference of the Pacific Community that it:
- i. recognise the secretariat's increasing difficulty in attracting appropriately qualified and experienced staff, which, if not corrected, will undermine its capacity to provide high-quality services to members;

- ii. note the increasing proportion of international staff resigning before contract end (57% of departing staff in 2013 to date).
- iii. consider and approve a 2% increase in salaries for 2014, noting that this increase is funded within existing budgetary resources;
- iv. call for a post-RIF CROP-wide review of job sizes with a particular focus on CEO roles
- v. agree to the establishment of a CRGA working group to undertake (a) more in-depth assessment of the HR and remuneration challenges facing the secretariat, (b) consider the revised salary banding structure proposed by the secretariat to help address the serious problem it has in attracting and retaining high-quality staff, and (c) consider the appropriate salary band for the position of SPC Director-General, based on the size and scope of the position relative to CEO positions in other CROP agencies, and table its recommendations to CRGA 44, noting that Australia, FSM, France (former Chair of CRGA), Guam, Kiribati (Chair), New Caledonia, RMI (incoming Chair) and USA have expressed interest in participating in this working group.
- vi. call for the reconvening of the CROP Harmonisation working group (comprising member PICTs) to share the findings of the CRGA working group.

#### **AGENDA ITEM 2.4.2B – ANNUAL MARKET DATA REVIEW AND FISCAL YEAR 2014 SALARY SCALES**

139. SPC presented the 2013 annual market data review of the three reference markets used to benchmark the salaries of CROP (Council of Regional Organisations in the Pacific) agencies for positions advertised internationally (the median of the Australia and New Zealand public service sectors and the upper quartile of the Fiji all organisations market) and the 2014 recommended salary scales for positions advertised internationally and for those advertised locally in each of SPC's four host countries.

140. The Director of HR noted that SPC salaries were lagging behind the levels recommended by recent market data reviews as well as those of other CROP organisations. As a consequence, SPC was attracting fewer candidates, and younger, less experienced candidates. Youth was a positive but SPC needed people who were already at the top of their game. She said that SPC was receiving fewer applications from members because often they could get better pay at home, and that there already fewer than expected from Australia, New Zealand and USA. There was also more negotiation of pay, and SPC was losing people, with staff leaving earlier.

141. The Director-General answered the question Samoa had asked about the percentage of Pacific Islanders in higher-level management. Although in general the percentage declines as you move up, at the level of management, starting at about band 13, it is roughly balanced, allowing a healthy mix of knowledge from outside the region and from within. He said that aside from the ability or inability to attract people, CROP harmonisation was also an important principle. He said that although SPC had been careful about applying the rules, that was not true for other organisations. SPC had a larger workforce than others, with many of its divisions being larger than entire CROP organisations, but many of its staff are in two of the bands: 11 and 12. He noted that authority is delegated to the Director-General to make the changes being proposed, but he preferred to ask for CRGA approval. Job sizing of CEO roles in CROP had placed the role of SPC CEO at the top and the role of SOPAC CEO third. The job sizing had been repeated following the integration of SOPAC into SPC. The governing councils of FFA and SPREP had raised those organisations' CEO roles by one band, going against the job sizing outcomes. He said that he was bringing it up because the new Director-General would not be able to, and because it was clear that he had no vested interest. He noted that the same members that were present at CRGA had approved those changes in the other governing bodies. SPC was suggesting that a special group from the secretariat and members examine this issue in 2014. This was linked to another proposal to look at differential banding for SPC, and the secretariat was suggesting that the working group look at both areas, with support from SPC. The findings could then be discussed at the next CRGA. He noted that the recommended increase was catered for in the balanced budget for next year and said he hoped CRGA would look favourably on it.

## **DISCUSSION OF AGENDA ITEMS 2.4.1, 2.4.2A AND 2.4.2B**

142. The representative of FSM thanked the Deputy Director-General, OMD, and his staff for the presentation. He said that there was no question about the need for change, but that it was important to be careful about how it was undertaken. He said that he appreciated the enthusiasm of the new Deputy Director-General, noting that FSM would support any plans to modernise, but that it is important to make sure things don't become bureaucratic and interfere with the work of divisions/offices. He said it was necessary to emphasise reducing bureaucracy and leaving room for innovation.

143. The representative of PNG commended the Deputy Director-General and the HR Director for their enthusiasm. He said that CRGA should support these departments and make sure they have proper resources, as they have an important role. He said that PNG supported the points made by the Director-General and fully endorsed all of the recommendations. He noted that these issues had been debated at the last CRGA and the one before as well, and it was now time to do something.

144. The representative of USA said that USA would support turning both issues over to a working group as suggested by the Director-General and would like to participate. USA thanked SPC for the reports and joined the consensus in noting them, with the understanding that any changes must be within existing resources. He said that he understood the recruitment difficulties SPC faced, but that it was important to understand the situation in USA and other countries; for example, US federal employees have faced a pay freeze for several years.

145. The representative of Wallis and Futuna raised the issue of under-representation of French-speaking candidates – especially those from French territories – in upper management. He said that it seemed clear that they were under-represented and that he would like to know the origin of the issue – whether it was a lack of qualified candidates, requirements that they cannot or do not meet, or lack of interest among qualified candidates.

146. The representative of France emphasised the importance of bilingualism in SPC, noting that as stated by the representative of Wallis and Futuna, the organisation has four French-speaking members. Regarding salaries, he said the question was a real concern, and he noted that in France, as in USA, no one had had raises for a while and living conditions were difficult for many people. He said that France supported the Director-General's suggestion of a subcommittee to consider the issues and come up with solutions. He also noted the importance of considering benefits that staff enjoy, such as housing and tax advantages, before deciding whether to grant a raise. He pointed out that SPC had recently recruited 10 new directors and it was clear that despite the difficulties mentioned, the organisation had managed to find 10 good people.

147. The representative of New Caledonia thanked the Director-General and the OMD team, and noted that it was good that the direction was working on a multi-year strategy aligned with the corporate plan. She said that there was an error in the way New Caledonia's contribution was listed, and that it consisted of a voluntary contribution of 500,000 CFP units and a special contribution of 700,000 CFP units for maintenance of SPC headquarters facilities. She said that New Caledonia was supporting SPC's Translation and Interpretation Section by providing a translator/interpreter part time. She thanked the HR Director for her clear presentation and echoed the questions posed by France regarding taking benefits, such as health insurance coverage, into account. She noted that New Caledonia was studying possibilities with its local social security organisation in view of opening it to locally recruited staff working at headquarters. In closing, she said New Caledonia supported fair salaries at SPC compared to other organisations but that it agreed with France and USA on the need to consider the situation in member countries. She said New Caledonia supported the proposal to establish a subcommittee to look at these issues.

148. The representative of Australia congratulated the Deputy Director-General, OMD, and the directorate for the inspiring presentation, which he said was perfect for a highly professional organisation like SPC that has grown so quickly. He said that it, and the response to the IER, were encouraging. He also thanked the HR team. With respect to SPC salary scales and the comparison with other CROP organisations, he said that it was perplexing as most of the same members were on those governing bodies, and that representatives briefed their colleagues well on this issue and on what the knock-on effects would be. He noted that CRGA

seemed to discuss this regularly and he said that Australia did not support turning the issues over to a subcommittee because it was unlikely to be resolved in a way that would prevent the cycle from continuing. Instead, the issues needed to be dealt with in the appropriate CROP working group, and there would have to be some 'tough talking'. Australia agreed that the situation was unacceptable, but it was necessary to utilise already existing processes to resolve it. He said that Australia supported all of the recommendations relating to the annual market data review.

149. The representative of Kiribati thanked the presenters. She pointed out that even with increased contributions, island members still get much bigger benefits from SPC. Regarding the issues in agenda item 2.4.2A, she said Kiribati was concerned about disparities resulting in resignation of good people and problems attracting the best, and noted that even with the proposed increase SPC would still be at a lower level than other CROP agencies. Therefore, Kiribati supported the recommendations. It would be necessary to look at cost savings or other financing modalities to offset the additional costs, to ensure that the membership was not further burdened.

150. The representative of New Zealand thanked the Deputy Director-General, OMD, and OMD staff, and said that there was already clear progress on the IER reforms. New Zealand agreed that OMD needed to be strong, and it strongly supported Australia's proposal that the working group on the Director-General's salary and bands be aligned with the CROP working group process. New Zealand was also concerned about the methodology of the salary survey and the possibility that exchange rates may account for the increases, as New Zealand had not seen increases in public sector salaries. New Zealand supported the proposed 2% increases.

151. The representative of Niue thanked the Deputy Director-General, OMD and saluted his passion. He said that the rewards would come in future years when the results-driven outputs become apparent. He commended the Director-General for continuing to bring the CEO banding issue up, and noted that it was clear it was not for his personal gain. He also noted that the proposed 2% increase would not even bring SPC even with the other CROP agencies. He said that in-kind contributions should be studied more closely, as well as performance-based salary increases, noting that these approaches were widely used in member PICTs with budget challenges. He also noted that in these PICTs, despite low salaries, passion is key and is a source of drive.

152. The representative of Guam said that she agreed with USA and France about the importance of SPC living within its means. She said Guam supported the proposed increases because they were paid for within available resources. She commended the Deputy Director-General OMD, for his enthusiasm, as well as the other Deputy Directors-General, and she challenged them to think outside the box. She said that Guam supported turning over the issue of CEO banding to a subcommittee that would present its findings and the arguments, allowing discussion.

153. The representative of Solomon Islands commended the Coordinator of SPC's Solomon Islands country office. He said that with her help, Solomon Islands was engaged with SPC through 22 of its 24 government ministries, and that this showed the value of the office as well as the importance of SPC services to Solomon Islands. He commended the office's achievements in 2013 and its work programme. He said that Solomon Islands would continue to support SPC. Regarding the salary increase, he said it must be met within existing resources, not by increasing dues. However, Solomon Islands did not support turning it over to a subcommittee. He noted that the issue had come before CRGA several times recently and had not been resolved, and he doubted that the proposed approach would lead to a resolution. He pointed out that it was not necessarily useful to compare SPC with other CROP organisations because they sometimes had quite different mandates. He said that even though many of the same members sit on the governing boards for these different organisations, each organisation has to be considered in its own right.

154. The representative of Samoa thanked the Director-General for the information provided in response to her question. She said that for Samoa this was an important governance issue. She explained that Samoa supported the proposed 2% increase and noted that even with the increase SPC would be behind other CROP organisations. She said it was important to adequately reward SPC staff and said that Samoa supported performance-based salary increases. She said that it would be important to have the reasons for early departure of staff to know whether remuneration is an important factor.



155. The representative of PNG said he agreed with the comments by Australia and Samoa that it would be futile to turn the issues over to a subcommittee, as they had dragged on and on. He said the evidence was undeniable. PNG supported working within CROP to try to resolve the problem, though it would be challenging. He said PNG supported the proposed salary increase.

156. The representative of USA said that USA also supported the suggestion by Australia that compensation discussions take place in the CROP working group.

157. The representative of Australia emphasised that it remained very committed to SPC, even though 12,000 public service positions would be disappearing in Australia. He said that he was concerned about making ad hoc decisions that would lead the whole process out of control. The solution had to be across all of CROP.

158. The representative of France pointed out that the founding member countries were facing enormous difficulties from the financial point of view. He said that France could not agree to the 2% increase, given its national context. France wanted staff numbers to be held constant, as well as the cost of salaries. Otherwise, if salaries were increased it may be necessary to reduce the number of staff. He said that it seemed that there was competition between different CROP agencies, but that France was not a member of the others and was not bound by their decisions. France proposed to open consultations between CROP organisations – to establish a working group with a mandate to look into the remuneration of the Director-General and upper management and also consider a possible review of salary scales. He said it was important to remember there were different in-kind advantages for staff at SPC, including housing, that were not necessarily available in other CROP organisations, and that all should be factored in. The working group would need to look at all sides of the issue and submit its opinion to CRGA. He said France could not support the proposed increase.

159. The Director-General noted that the discussion had focused on remuneration issues and not on the presentation from the Deputy Director-General, OMD; hence it seemed that CRGA was happy with what it had heard regarding the proposed priorities for next year. Regarding HR issues, he said it seemed that CRGA acknowledged that SPC was working to improve HR and had found internal funding for many key measures taken in response to the IER recommendations. In response to the comments from France, he said staff benefits had been factored into all comparisons between CROP agencies. He disagreed with the idea of going through the CROP working group to try to resolve the problem, as the present situation was the result of the CROP working group process, which provided advice to the organisations but did not force them to follow it. He noted that SPC had lost two senior people to other CROP agencies recently. Altogether, he said, it would be better for SPC to leave the system. He pointed out that the next Director-General would not be able to state things as clearly as he could. He noted that two weeks earlier, the SPREP council, of which France was a member, had approved a larger increase for an organisation with salaries that were already above SPC's. He said that the consensus seemed to be to approve the 2% increase as it was already factored into the budget. If CRGA chose to go with a CROP working group, it would be critical for members to be disciplined and to employ an approach such as a moratorium for other CROP organisations to allow SPC to catch up. He said that a working group within SPC would also be helpful and could consider the structural issue. This would not replace the CROP working group.

160. The Deputy Director-General thanked CRGA for the many kind comments about OMD and emphasised that he and the directorate were happy to serve.

161. The Chair said that the consensus seemed to be to approve the 2% increase, and called on France to comment.

162. The representative of France said that he had stated France's position, and that given the situation in France, it was not possible for him to join the consensus and approve the increase. He suggested that it may be possible save some money by slowing recruitment, in order to stay within the budget.

163. The Chair noted that SPC had confirmed that the increase had been factored into the budget. She said that the increase would allow members to show how much they value what SPC does, and that it was clear that increases should be within existing resources. Regarding banding, she said that there was a consensus on

establishing a working group to look at the questions raised, and that once the working group finished its work, CRGA should be able to make a decision. She noted that there had been a request to open up the membership of the working group and that SPC would consult with members on that.

## **RECOMMENDATIONS**

164. With regard to the 2014 salary scale for positions advertised internationally, CRGA agreed to recommend to the Eighth Conference of the Pacific Community that it:

- i. consider and approve a 2% increase effective from 1 January 2014, noting that this increase is funded within existing budgetary resources.

165. With regard to the 2014 salary scales for positions advertised locally, CRGA agreed to recommend to the Eighth Conference of the Pacific Community that it:

- i. consider and approve a 1.3% increase to the salary scale in Federated States of Micronesia effective from 1 January 2014, noting that this increase is funded within existing budgetary resources;
- ii. consider and approve a 2.2%–2.7% increase (depending on the band) to the salary scale in Fiji, effective from 1 January 2014, noting that this increase is funded within existing budgetary resources;
- iii. consider and approve a 2% increase to the salary scale in New Caledonia effective from 1 January 2014, noting that this increase is funded within existing budgetary resources;
- iv. consider and approve a 2% increase to the salary scale in Solomon Islands effective from 1 January 2014, noting that this increase is funded within existing budgetary resources.

## **AGENDA ITEM 2.4.3 – STATUS OF ASSESSED CONTRIBUTIONS AND HOST GRANTS**

166. The Acting Director, Finance, described the status of assessed contributions. Sixteen members have paid in full, seven have outstanding 2013 contributions and no significant arrears, and three have outstanding contributions and significant arrears. Papua New Guinea has informed the Secretariat that payment has been made in full. There is some concern regarding Nauru, which has fallen behind in its payment plan, and the Northern Mariana Islands and Palau, which have made no payment this year and have no payment plan.

## **RECOMMENDATIONS**

167. CRGA agreed to recommend to the Eighth Conference of the Pacific Community that it:

- i. acknowledge the significant efforts made by many members to pay their assessed contributions;
- ii. request those members with outstanding contributions, in particular those with arrears, to settle these as early as possible;
- iii. request members in financial difficulties to agree on a payment plan with the secretariat.

## **AGENDA ITEM 2.4.4 – 2012 ANNUAL ACCOUNTS, AUDIT REPORT AND AUDITOR'S MANAGEMENT LETTER**

168. The Acting Director, Finance, said the audit was carried out by PriceWaterhouseCoopers, New Caledonia, in accordance with the financial regulations. For the 17th consecutive year, SPC has received a 'clean' and unqualified audit report, showing that SPC has complied with financial regulations and that records have been properly maintained. As part of the audit, the auditors provided a letter to the management

detailing areas of weakness and recommendations for improvement. Management has responded to this, and has included progress updates on issues raised in management letters in previous years. The balance sheet further strengthened in 2012, with net assets and reserves at 6.11 million CFP units, compared to 4.15 million units at the end of 2012. As the balance sheet grows stronger, so does the reserve, increasing by 1.96 million CFP units to 6.11 million CFP units at balance date 2012. Consolidated core income totalled 15.646 million CFP units, compared to the budget figure of 14.831 million CFP units. The reason for the increase is largely due to exchange gains.

## **RECOMMENDATIONS**

169. CRGA agreed to recommend to the Eighth Conference of the Pacific Community that it:
- i. accept the 2012 audited financial statements as presenting a true and fair view of the financial position and financial performance of the secretariat and of its staff provident fund;
  - ii. acknowledge that proper accounting records have been kept and that unqualified audit reports were received by SPC for the 17th successive year;
  - iii. note the comments of the auditors in the management letter and the responses of management.

## **AGENDA ITEM 2.4.5 – REVISION OF 2013 BUDGET**

170. The Acting Director, Finance, said the revised core budget for 2013 was a balanced budget of approximately 25.8 million CFP units, an increase of 4.5% from last year. Assessed contributions totalled 10,607,447 CFP units. Voluntary contributions are provided by Australia, France and also New Caledonia. Australia's funding increased by 368,000 CFP units but because of the fall in the Australian dollar during 2013, it yielded fewer CFP units than had been anticipated in the initial budget. Internal measures were taken to make up for this. There was an 18.1% increase on project funding as a result of new projects coming on stream during 2013. This was very encouraging. In 2013, the European Union, Australia and the Global Fund were the largest donors, providing approximately 31.9, 24.9 and 11.5 million CFP units respectively. Together, these three donors contribute 82.6% of total project funding.

## **DISCUSSION**

171. The representative of Papua New Guinea confirmed that PNG had transferred its contribution to the secretariat covering the full amount for 2013 and arrears. He added that PNG endorsed all the recommendations in the three papers presented.

172. The representative of New Caledonia informed the meeting that their contribution as shown in the annex to paper 2.4.5 was incorrect. It should be 1.02 million CFP units, not 1.04 million CFP units. She added that New Caledonia had made many other contributions, in kind as well as financially, to SPC but that may not be able to do so much next year.

173. The representative of Nauru apologised for the delay in making its contribution and assured the meeting that an agreement had been signed with the secretariat and that the payment would be received very soon. The delay was caused by the change in government and the fiscal budget being late.

174. The representative of Cook Islands thanked the Acting Director, Finance, for his presentations and said Cook Islands supported all the recommendations.

175. The representative of Guam explained that the fiscal year in Guam is different and the process of paying the arrears is lengthy. She requested a meeting with the accountant in order to rectify some errors in the paper.

176. The representatives of Niue and Papua New Guinea thanked the Acting Director, Finance, for the work of the Finance Section and congratulated SPC on getting an unqualified report for the 17th year running.

177. The representative of Marshall Islands thanked the Acting Director, Finance, for his presentations and said the RMI contribution was on its way.

178. The representative of Federated States of Micronesia asked if there was any reward if a country has a surplus in its contribution.

179. The representative of Vanuatu confirmed Vanuatu's commitment to SPC and to paying its arrears.

180. The Director-General thanked the members, assured Guam they could meet as requested, and thanked New Caledonia for all of its contributions to SPC.

## **RECOMMENDATIONS**

181. CRGA agreed to recommend to the Eighth Conference of the Pacific Community that it note the revised budget (core and project funding) for financial year 2013.

## **AGENDA ITEM 3 – 2014 BUDGET**

### **AGENDA ITEM 3.1 – FINANCIAL YEAR 2014 BUDGET**

182. The Deputy Director-General, OMD, presented the 2014 budget 'green book', which he noted complements the divisional presentations. He pointed out that it was a balanced budget, with project funding totalling 6 million CFP units less than the revised 2013 budget. He explained that SPC's policy is to only enter in the budget projects that have been formally approved – a conservative approach. So total project funding was likely to increase. Project funding was budgeted at 23.6 million CFP units. Assessed contributions had been increased, and agenda item 5.3 would further examine assessed contributions and host country grants. The fall in the Australian dollar decreased the available funds for 2014 by 2.2 million units, impacting the budgets of divisions. About half of the decrease of 8.8% was offset by an increase in management fees. Funds would be required for several recruitment campaigns; a new unit for reporting; a new communications system and strategy so SPC could better engage with donors and the media; internal auditing; and the new programme support unit, established as recommended by the IER. He explained that 85% of all funds went towards programmes, with 15% going to support services that are crucial for service delivery. He noted that a large part of the funds going to support services such as the offices of the Director-General and the Deputy Directors-General and SEPPF in fact went directly to programmes. He said that the green book also showed forward-looking budgets for 2015 and 2016, which were based on the assumption that present trends would continue, including a decrease in project funding. However, it was likely that this would be compensated for by new projects. Any increase in income from slightly higher assessed contributions and host country grants, if approved (as outlined in agenda item 5.3), would be reflected in an approved budget to be printed after the meeting. He said that SPC was working on an improved cost recovery mechanism and that 2015 and 2016 budget figures included 200,000 CFP units and 100,000 CFP units for core and project funds respectively, based on the assumption that new funds would be available from projects. With regard to reserves, CRGA had approved an increase in reserves, with specific targets, and confirmed that savings were to be used to build the reserves over time. The general reserve had reached roughly 3,000,000 CFP units, and the target of 1,000,000 had been reached for the exchange rate reserve. Other reserves were short, with an additional 1.3 million CFP units required to meet the targets. He noted that the targets had been set before the completion of the RIF reform and perhaps should be reviewed.

## **DISCUSSION**

183. The Director-General thanked the Deputy Director-General, OMD. He noted that although SPC had not been able to provide an expenditure budget showing specific figures by country, it had for the first time established a self-financed budget unit. Over time, the new unit would allow the incoming Director-General

and executive team to look at how to better link the budget to the corporate strategic plan, divisional plans, and monitoring and evaluation frameworks. While the new unit was gearing up, SPC had been able to further enhance the budget presentation this year. It would also consult with members during the year on budget development.

184. The representative of FSM thanked the Deputy Director-General, OMD. He asked for clarification on whether spending by the North Pacific Regional Office and the Solomon Islands Country Office would require approval from SPC headquarters or from its Suva office. He emphasised how important it was for the smaller offices to be able to authorise spending to undertake their work.

185. The representative of Australia said Australia was happy to approve the budget and noted the update on reserves. He said that Australia could not confirm the level of its contribution towards core funding as it was still waiting for approval from its new government. However, it hoped to maintain the same level. Australia was negotiating a three-year funding agreement with SPC and hoped to sign it in December. He said that the paper had noted the difficult environment for members and donors, and that this difficult environment meant that for Australia, it was unlikely that its funding level would increase in the short to medium term. The difficult environment also reinforces the importance of looking for new funding and the importance of prioritising services. He asked what the process was for allocating within-year savings. He noted that the budget reflecting activity highlights by programme was very useful, but that activities do not necessarily correspond to the plans and reports from the divisions. He said that this information would be useful for donors to see what services their funds are buying and what the secretariat is investing in. He noted an issue that Australia had raised the issue the previous year as well – the fact that given that was a period of great change, driven by many factors, one would expect to see a budget with significant movement and budgeting based on shifting priorities rather than historical allocations. He said that the budget is the greatest reflection of change in an organisation. Hence, it was expected that next year SPC's budget would be very different. Also, given the quickly changing environment and the likelihood that priorities would shift during the year, he said it would be good to see reporting from SPC during the year. He noted that the issue had been discussed that last year but had not happened.

186. The representative of USA said USA remains a strong supporter of SPC and would continue this support. USA supported budget discipline and continued prioritisation for all international organisations including SPC. USA could support the proposal only if the country's contribution remained unchanged from 2013. USA asked SPC to include all assessment options in its budgets. He said that the position of USA is that reserves and surplus funds should not be used for balancing the budget and asked for more information about SPC's reserve targets and its progress towards meeting them.

187. The representative of Kiribati said Kiribati endorsed the budget. She noted that the PHD budget for 2014 was significantly smaller with the end of funding through the Response Fund and Global Fund, and that FAME was in a similar situation with project funding ending. She asked for clarification regarding the possible implications, as some of the services in question were still greatly needed.

188. The representative of New Zealand said New Zealand supported the recommendations and welcomed the 2014 budget. New Zealand remained a committed partner of SPC and was involved in partnership talks, the outcomes of which could change future budgets. He hoped to have more information to convey later on. He asked for an approximate indication of 'pipeline' funding to get a sense of what the actual budget could be for 2014. He also asked if in the allocation of core funding to divisions for 2014 there were significant tradeoffs or pressure points, explaining that this would be useful information for CRGA.

189. The representative of Solomon Islands said Solomon Islands endorsed the budget, and indicated that he would likely have some positive remarks to make under agenda item 5.3 on host country contributions.

190. The representative of Cook Islands said Cook Islands supported the recommendations and echoed the comments thanking donors for their support for the 2014 budget. He agreed with the comments by USA on the use of reserve funds.

191. The PHD Director said that although the Response Fund had effectively ended and SPC was managing the transition, money was available to complete projects already approved, so the closure would stretch into

the new year. With respect to the Global Fund, SPC had signed a USD 5 million allocation for continued work in HIV and other STIs, and the funds had been allocated through normal means to subrecipients to provide continuing services. He noted that as SPC implemented the new public health strategy, a lot of activities had been incorporated into plans going forward. He said he could reassure Kiribati that most services would continue. In closing he noted that in the future SPC would be moving toward thinking more broadly and concentrating less on activities and services focusing on individual interventions.

192. The Deputy Director-General, OMD, responded to the request from Australia regarding reflecting shifting priorities and change in the budget, saying that he had discussed this with the Deputy Director-General, Programmes, and that SPC would work on it for the 2015 budget to be presented to CRGA in 2014 along with in-year reporting and closer collaboration between Finance and programmes. In response to the questions from USA and Cook Islands on reserves, he explained that for the general reserve SPC had met the pre-RIF target. The targets for the special reserves were more difficult to reach, but SPC would continue to allocate excess funding to continue to build them over time. He noted that SPC faced difficulties just like member countries. With regard to using reserves to fill gaps, he said that the measure taken was a one-time measure to compensate for a drop in the Australian dollar. He said that this was allowed in the rules, that the expenditure was likely to be less than income, and that SPC hoped to be able to quickly put the funds back into the reserve. Regarding pipeline funding for 2014, he said that the information was not available immediately, but that some initial indicative information could be circulated relatively quickly. He thanked Australia and New Zealand for their work towards multi-year funding and thanked Solomon Islands for its initial positive response to suggestions on host grants.

193. The Director-General responded to the question from FSM on financing offices and ensuring their ability to implement programmes without needing instructions from headquarters or the Suva Regional Office, noting that although management of regional offices comes under OMD, programmes come under divisions, which are under the Programmes Directorate. Their activities were determined by divisional work plans and JCSs, developed in cooperation with member countries. The North-REP project provided a good illustration of the overlaps. Whether there was a continuation of it depended on governments because the funds for the project came under bilateral agreements and the recipient countries had decided to pool them through SPC. He noted that SPC was reviewing and streamlining its delegations so that more decision-making could be done at the office level. In response to Australia, he said SPC hoped that Australia could maintain its current level of funding and thanked Australia for providing indicative timing on implementing multi-year funding. He also thanked New Zealand for its efforts in this area. Regarding reserves, he said that the Corporate Strategic Plan contained an ambitious target for reserves, and that depending on its financial position, SPC might propose a new approach to more predictably fund its reserves rather than relying on any excess project funds. The proposed level was based on global best practice – enough for 60–90 days of operations.

## **RECOMMENDATIONS**

194. CRGA agreed to recommend to the Eighth Conference of the Pacific Community that it:

- i. consider for approval the proposed budget for financial year 2014;
- ii. welcome SPC's commitment to provide in-year reporting and a forward looking budget commencing in 2014 that reflects shifting priorities and the recommendations of the independent external review;
- iii. acknowledge the progress update on SPC's reserves and proactive approach to building the reserve through the budget process with the aim of further increasing it to a level sufficient to cover 60-90 days of operation.

## **AGENDA ITEM 4 – STANDING COMMITTEE OF CRGA**

### **AGENDA ITEM 4.1 – AUDIT AND RISK COMMITTEE REPORT**

195. The Chair requested that the representative from FSM open the day's proceedings with a prayer, which he delivered in his native language. Following the prayer, the Chair thanked SPC's Human Development Programme for organising white ribbons to commemorate victims of violence against women and children. She requested that SPC continue the tradition of 'Thursdays in Black'.

196. The Director-General introduced the Audit and Risk Committee (ARC) and its Chair.

197. The ARC Chair provided some background on the committee and its work, explaining that in the last year its charter had been endorsed and it was encouraged to deepen its work to ensure SPC avoids any financial risk. He said that ARC's role was to help support CRGA by working with management and appropriately qualified people to make sure CRGA had the tools and information to properly exercise its oversight role. Another job of the committee was to provide proactive support to management to identify issues before they arose. He explained that the committee had two other members plus the Director-General, who was a member ex officio. He noted that over the last year ARC had made important progress. It had taken longer than expected to establish the mechanisms to advance the work, but in 2014 the committee would be able to present to CRGA more detail about issues that had been addressed over the year. In terms of establishing the platform – the committee had developed an assurance platform and a framework. He said that the committee had to understand the business of SPC and then identify areas of risk. In a people-centred organisation like SPC, the risks related to the way people behaved. It would be inefficient to have full time staff to do these tasks, so the work would be outsourced to international accounting firm Ernst and Young. He noted that by 2015 the work of the committee would be fully core funded, which was very important. The committee worked with the external auditors and had been very glad to see that SPC had been given a clean audit report for the 17<sup>th</sup> year running. The letter from the auditors noted a strong compliance culture at SPC, and also identified some areas to strengthen. ARC was satisfied that management was addressing these properly and had found that its work was fully supported by the Director-General and his team.

198. The Chair noted that all members could assist with one issue – the acquittal of UNDP Global Environment Facility (GEF) funds. She said that the onus was on members to provide the acquittal reports to help SPC with the management of those funds.

199. The representative of PNG thanked the ARC Chair and his team for the report. He noted that PNG benefited from the ARC Chair's expertise when he had worked in the PNG planning department. He said that PNG supported the recommendations.

200. The representative of Kiribati acknowledged the great work of the ARC Chair and committee members. She said that it was very important work that provided a strong governance framework, and that with SPC's expansion it needed strong oversight. She said Kiribati agreed with the Chair that it was the responsibility of members to help with acquittals.

201. The representative of Australia commended the work of ARC and said Australia was pleased to see that the work of the committee was completely funded from the core budget as it was a core activity. He said that this concurred with the presentation of the Deputy Director-General, OMD – that SPC was a world class organisation that needed world class services of this kind to show how it spent members' funds. Australia supported the recommendations.

202. The representative of Niue commended ARC, which he said was an excellent function that provided confidence regarding the organisation and how it manages members' funds. Niue supported the recommendations.

203. The representative of Fiji extended Fiji's appreciation to the committee and said Fiji supported the recommendations. Regarding acquittals, he asked that SPC consider providing training on documentation requirements to recipients before grants were disbursed, as it was very important for countries to appreciate and comply with these requirements but there was a lack of capacity in countries.

204. The representative of Tokelau acknowledged the work of the committee. Regarding acquittals, he said that the report seemed to say the process was managed satisfactorily. He asked the ARC Chair to comment.

205. The ARC Chair responded, explaining that it was important to note that this was not a qualification on the accounts of SPC, and that there was no weakness in SPC's process or policy. The issue was the inability of some countries to satisfy the acquittal process of GEF; there was no question regarding SPC's ability.

206. The Director-General explained that within the executive team the Deputy Director-General, OMD, was the key person supporting the work of ARC. Regarding the issue of acquittals, one of SPC's main responsibilities was as grant fund manager. The process of applying for and managing grants was extremely complex and SPC took on this role to assist some countries. Funds were paid out to countries, and in most countries these incoming funds had to go into the finance ministry rather than into a specific account; hence the funds could not be easily tracked. In response to the question from Fiji, he said that SPC had provided training but there were still limitations in countries.

## **RECOMMENDATIONS**

207. CRGA agreed to recommend to the Eighth Conference of the Pacific Community that it:

- i. note the ARC chair's report and acknowledge that the ARC is an important part of a stronger governance framework that will provide assurance to CRGA, as SPC's governing body, that SPC's internal controls, policies and processes are robust and that compliance with these controls is strong;
- ii. note that the ARC has agreed to a three-year internal audit work programme and has appointed an international accounting firm to undertake the work;
- iii. note that ARC will provide a report on the first year's outputs from Ernst and Young to CRGA 44;
- iv. note with satisfaction that SPC's core budget is increasingly meeting the costs of the internal audit function and, by 2015, this work will be fully core funded;
- v. in relation to SPC's role in grant management, encourage mutual accountability between members and SPC, noting the problems of some countries in adequately acquitting the funds received at the national level, specifically Global Environment Facility funds, and request the secretariat to continue pre-grant training;
- vi. acknowledge SPC's financial health as evidenced by its achievement of a clean audit report for the 17<sup>th</sup> successive year and the confirmation by the ARC that its systems, processes and controls are robust and effective.

## **AGENDA ITEM 5 – SUBSTANTIVE POLICY AGENDA**

### **AGENDA ITEM 5.1 A – UPDATING THE CANBERRA AGREEMENT TO GIVE LEGAL EFFECT TO PREVIOUS CONFERENCE DECISIONS AND INTRODUCE PROVISIONS FOR OTHER MEMBERSHIP CATEGORIES**

208. The Director-General explained that in 2012 the suggestion had been made that SPC may want to look at expanding its membership. He said that there were organisations (perhaps including the EU) that would want a closer relationship with SPC, but that there was no modality to give them special recognition aside from inviting them to observe meetings. After the discussion at CRGA 42 in 2012, he had been asked to develop a policy and present it to CRGA this year. A working group had also been established, which had met for the first time only a short while earlier. In exploring issues relating to expanding the membership,



some anomalies had been identified. These related to the fact that although changes had been agreed and implemented, these changes had to be given legal effect and this had not been done.

209. The Deputy Director-General, OMD, explained that in looking at the membership of an international organisation it was necessary to examine the founding document to see if it allows members to open up the membership or not. He said that in the case of SPC there were ways to make these changes within international law, which was quite different and more flexible than domestic law. The Canberra Agreement talked about the South Pacific Commission, but in 1997 all members had agreed to change that name to the Pacific Community. Under international law it was possible to say that there had been sufficiently dense *state practice* since then to confirm the change. This was possible under customary treaty law and it was also backed by provisions of the Canberra Agreement itself, which stated: 'Provisions of the agreement may be amended by consent of all participating governments'. In the past, amendments were made through formal agreements and it took time to get governments to go through the process. This time, with so many independent countries now members, it would be very complex and time consuming to amend the agreement. Another issue was that a number of members had not acceded to the Canberra Agreement (not territories but countries). At the Saipan Conference, full membership had been extended to all current members – effectively 'fast tracking' membership for many countries that had not acceded to the treaty. SPC was proposing the same approach, under customary treaty law. Since 1997 no members had objected and the new members had been considered full members in every way. CRGA could ask Conference to confirm their legal status as full members. With respect to expanding SPC membership, full membership, associate membership and observer status were standard categories. There was no need to make any changes to the category of full member. The category of associate member was not mentioned at all in the Canberra Agreement. The classical approach would be to adopt an amending agreement to create these categories. This was one suggestion that had been put forward. Another approach would be to say that Conference had the power to do it under the articles of the Canberra Agreement. In that case a resolution with the approval of all member governments would be sufficient, and would constitute an amending agreement. Each member's domestic law would dictate whether it needed to go through an approval process or not. Several partners had expressed interest in further engaging with SPC and in being recognised as being part of the Pacific Community. He said that it was important to consider the global environment, in which there was competition for funding, and that SPC needed to consider the importance of recognising its trusted partners.

210. The Chair confirmed that SPC's suggested approach was feasible under the Vienna Convention on the Law of Treaties.

211. The representative of Australia commended SPC and the working group. He said that as the depository of the Canberra Agreement, Australia had a particular responsibility to ensure that changes were given proper legal form. It was also important to use the most elegant and simple approach. The principle of state practice was clear and Australia strongly supported using that principle for these issues. He said that the approach could effect amendments as long as they were within the rules in the original document. In closing he said Australia supported the recommendations.

212. The representative of FSM asked about the legal implications of these changes with respect to decisions and agreements made before 1997 and referring to the South Pacific Commission.

213. The Director-General explained that all previous resolutions would stand unchanged.

214. The Deputy Director-General, OMD, explained that the suggestions would simply confirm decisions made by the governing body, and that no changes were suggested. This would ensure legal continuity from the South Pacific Commission to the Pacific Community, with no legal consequences for members.

215. The Chair suggested that it may be necessary to check all resolutions of Conference to make sure they had all been given legal effect, but that at present CRGA was just considering how to confirm the name change and the status of current members.

216. The representative of France said that France had no problems with the recommendations, but that the terms of reference of the subcommittee were not as representative as they should be; for example, as depository of the founding convention, Australia should be a member, as should others whose legal traditions

may mean that there was cause for concern, so that the result would be a good proposal. He said that this would mean more members but fewer problems later.

217. The representative of Guam said Guam had recently amended its law regarding the change of name, and that she hoped it would not be necessary to do it again. She said that she agreed with the chair on revisiting past decisions to make sure they are legitimate. Guam supported the recommendations and hoped that there would be no separation of funds with respect to new members.

218. The representative of PNG commended the Deputy Director-General, OMD, for this work. He said that he agreed with the suggested approach and noted that re-examining previous resolutions would be a lot of work. PNG supported the recommendations, and also was in favour of Australia being a member of the subcommittee as depository.

219. The representative of Samoa thanked the Deputy Director-General, OMD, and said that Samoa endorsed all of the recommendations. She thanked Australia for facilitating the state practice approach as depository. Regarding new member categories, she said Samoa agreed that there may be benefits, and looked forward to working on a policy paper for the next CRGA.

220. The representative of USA thanked the working group, and France and Australia in particular. He said that his legal bureau had had very little time to review the proposals. He explained that treaty changes were important and it was important to be careful. He said that USA agreed with the need to confirm the changes, but that it felt that amending the Canberra Agreement, which under Art. XVIII §60 requires consent of all of the participating governments, would be the best way, and that as SPC was also proposing other changes a comprehensive review may be necessary. Regarding membership, he said that USA needed more time to consider the options under international law to formalise the governments' participation. Regarding membership categories, he said that USA supported the proposal and appreciated the reasons, and that it agreed that amending the Canberra Agreement would be the best way; USA therefore proposed participating in a comprehensive review of the treaty. He said that USA looked forward to working with other members and SPC in the coming year on this. With respect to new members, he said that USA agreed with the analysis but that it had had too little time to analyse the issue to know what was the best way to proceed. USA supported including Timor Leste in SPC and was interested in taking whatever action necessary to make sure that could happen.

USA requested that the following text be added to the meeting record:

‘The United States values the SPC as an institution and supports working with it to achieve our shared objectives, including by ensuring the SPC continues to make major institutional decisions by consensus. We appreciate the flexibility the Secretariat and SPC participants have shown in being open to our suggestions to the resolutions up for consideration today.

In particular, we have continuing concerns with the resolution text concerning the legal status of members that have been participating in this body since 1983, and are unable to join consensus toward adopting this resolution. We have welcomed the participation of all representatives at these meetings for many years, and do not intend to take any action that would be inconsistent with the status quo. At the same time, we hope that the dialogue on these matters will continue, and we intend to work constructively through the Working Group on Membership and any other appropriate forum to find a workable path forward on such issues.’

221. The representative of Kiribati thanked France as the working group chair and the Deputy Director-General, OMD, for the information. Kiribati supported the recommendations.

222. The representative of New Caledonia thanked the working group for its work on modernising the document and said that New Caledonia agreed that the organisation needed to be more flexible and that the admission of EU could help strengthen the relationship. She also noted that strengthening links with the private sector could help increase funding. But as SPC was implementing deep reform, the pragmatic approach suggested by the working group seemed wise.

223. The representative of French Polynesia thanked the working group and said that French Polynesia supported the name change and the outcome of 1983 Saipan Conference regarding full membership. He said French Polynesia supported the statement of France on extending the working group membership.

224. The representative of Fiji thanked the Director-General and the Deputy Director-General, OMD. He said that Fiji supported the recommendations and thanked the working group for them. Fiji noted the concerns of USA, which were not related to substance but to timing, and also supported taking a comprehensive look at the amendments. He suggested that if CRGA agreed in principle, then the working group could iron out the details and CRGA could approve all of it next year. He said that Fiji had just a word of caution on Annexes B and C with regard to participatory rights, and that it was important to be careful in that area and that the working group should take note. Fiji was interested in being a member of the working group.

225. The representative of Niue thanked the working group and France as Chair, as well as the Deputy Director-General, OMD, for their careful approach. He also thanked Australia for acting as depository for the treaty and for suggesting an elegant, simple approach. He said that the membership categories of associate member and observer could be very accommodating, and noted that Niue was an associate member of some organisations, which meant that it paid a fee but received technical assistance. Niue supported the recommendations.

226. The representative of Cook Islands commended SPC's efforts and highlighted the importance of the clarification presented by the Director-General and the Deputy Director-General. Cook Islands aligned itself with the statement by the representative from Samoa with respect to the proposed observer status as being an advantage to PICTs. He also noted the concern related to participatory rights as mentioned by Fiji.

227. The Chair noted there is indeed a need to clarify participatory rights and observer rights.

228. The representative of New Zealand stated that he was mindful of the comments from the United States and encouraged the working group to focus on the pragmatic options. He also stated that New Zealand has suggestions for a pragmatic approach to share with the working group.

229. The representative of Solomon Islands acknowledged the support from Australia and the concerns of the United States. He noted that some members deposited their instrument of accession while others were given exception to this requirement; clarification is required regarding this difference. He asked if there were any repercussions that distinguished members who deposited their accession prior to 1983, as opposed to those who deposited theirs afterward.

230. The representative of Marshall Islands thanked the chair of the working group for leading this effort. She anticipated reviewing the draft policy on other membership categories and asked about the process for observer members that requested to transition to full member status.

231. The representative of Tokelau began by stating that altering the Pacific Community's membership process involves 'walking in the footprints of our leaders and we need to walk with caution.' He detailed that other membership categories are not part of the current legal framework and perhaps this absence reflects the intent of the Community's founders.

232. The representative of USA stated that an appropriate way forward must be found on the membership category proposals. He also stated that the working group received the current draft membership language very recently and more time is necessary to provide a complete review.

233. The Deputy Director-General, OMD, responded that some of SPC's proposals simply confirm established legal effect, as opposed to re-making decisions that have already been made. He acknowledged the advice from Australia regarding being pragmatic and cautious. Completing an overhaul of the Canberra Agreement is unlikely as several attempts have been made in the past and 'none of them have seen the light of day.'

234. The Director-General responded that the last attempt to overhaul the Canberra Agreement was started in 1970 and ended in 1974. He emphasised the language ‘giving the legal effect of’ and expressed hope that the United States would approve the proposals once its deliberations are complete. He also noted that Australia, Fiji, and New Zealand requested inclusion in the working group.

235. The Chair concluded by recognising that the proposals affect political decisions made by PICTs’ ministers during the conferences in 1983 and 1997 and emphasised that the decisions at those conferences were already taken. The Pacific Community and its members have been operating according to those decisions. She also stated that legal basis exists under the Canberra Agreement and international law on treaty to allow the Pacific Community other membership approaches in addition to accession.

## **RECOMMENDATIONS**

236. CRGA, by a majority, agreed to recommend to the Eighth Conference of the Pacific Community that it:

- i. consider and approve the secretariat’s proposal to confirm the legal effect of the 1997 Conference resolution to rename the ‘South Pacific Commission’ the ‘Pacific Community’, as proposed by the draft resolution to that effect (p. 61);
- ii. consider and approve the secretariat’s proposal to confirm the legal status of current members of the Pacific Community in accordance with the 1983 South Pacific Conference resolution that expanded the membership of the Pacific Community and granted equal and full membership status to all members, as proposed by the draft resolution to that effect (p. 62);
- iii. note the secretariat’s proposal as regards establishing categories of associate member and observer;
- iv. recommend that the secretariat and the expanded CRGA Working Group on Membership, comprising Australia, Fiji, France, French Polynesia, Guam, Marshall Islands, New Zealand, Papua New Guinea, Samoa and the United States, further consider the issues relating to associate membership and observer status, together with the draft Policy on Membership and Observer Status, and present a finalised proposal to CRGA 44.

## **SIGNING OF KIRIBATI–SPC JOINT COUNTRY STRATEGY**

237. The Director-General and the representative of Kiribati signed the joint country strategy, which was the first of the second-generation strategies. The Director-General noted that Kiribati had also been the first country to sign a JCS with SPC.

## **AGENDA ITEM 5.1 B – SPC MEMBERSHIP POLICY**

238. The secretariat updated CRGA on the progress made over the course of 2013 on this issue and (following consultations with the Chair of the Working Group) the proposed way forward in policy terms regarding the criteria and guidelines for full membership and the proposed new categories of associate member and observer. Taking into account the recommendations made under agenda item 5.1 A, and the need for a new, detailed SPC policy to guide members when considering requests for membership of the organisation, the secretariat has prepared a draft Policy on Membership and Observer Status of the Pacific Community.

## **RECOMMENDATIONS**

239. CRGA, by a majority, agreed to recommend to the Eighth Conference of the Pacific Community that it:

- i. formally endorse the approach suggested regarding full membership of the Pacific Community;

- ii. consider and approve the draft resolution presented to make a provision to accommodate a possible request by Timor Leste for membership and the associated approach to complete the process (p. 63);
- iii. note the work in progress on developing a Policy on Membership and Observer Status of the Pacific Community, including participatory rights;
- iv. agree that the secretariat and the Working Group on Membership should further develop the Policy on Membership and Observer Status of the Pacific Community and present a finalised proposal to CRGA 44.

#### **AGENDA ITEM 5.2 – SPC GOVERNANCE ARRANGEMENTS – A POLICY DISCUSSION PAPER**

240. The 2012 independent external review of SPC acknowledged the value of the role of CRGA and Conference in SPC's governance but observed that their impact could be maximised. In view of the importance of enhancing SPC's governance arrangements, and taking into account feedback from members during the development of SPC's new corporate strategic plan, a review of SPC's governance arrangements is one of the main objectives to be achieved under the plan for the period 2013–2015.

#### **RECOMMENDATIONS**

241. CRGA agreed to recommend to the Eighth Conference of the Pacific Community that it:
- i. discuss the importance of further strengthening SPC's governance processes, including through clear delineation of the governance of organisational functions and governance of programmatic functions, both of which are currently undertaken by CRGA; and
  - ii. agree to commission a review of SPC's governance processes in 2014, funded from SPC's existing budgetary resources, with the findings and recommendations of the review to be presented to CRGA 44 in 2014.

#### **AGENDA ITEM 5.3 – REVIEW OF ASSESSED CONTRIBUTIONS AND HOST GRANTS**

242. As directed by CRGA 42, the secretariat has resumed the long-standing policy of undertaking triennial reviews of assessed contributions and host grants. The review considers both absolute and relative levels of contributions. It is guided by the IER recommendation to rebalance SPC's core budget over time and also takes into account changes in island members' economic capacities since the last review in 2006. The secretariat has also commissioned an independent study to estimate the economic benefits of SPC's presence to its host countries: New Caledonia, Fiji, Federated States of Micronesia (FSM) and Solomon Islands. This exercise was approved by CRGA 42 in 2012.

#### **RECOMMENDATIONS**

243. With regard to assessed contributions by founding members, CRGA agreed to recommend to the Eighth Conference of the Pacific Community that it:
- i. consider and note, as appropriate, the secretariat's proposal concerning assessed contributions by founding members, that from financial year 2015 Australia pay 3.2 million CFP units and the other three members pay 2.5 million CFP units each (total of 10.7 million CFP units);
  - ii. note that discussions with the founding members about such increases in their assessed contributions continue; and
  - iii. pending the outcome of those discussions, approve the following essentially unchanged (but rounded) contribution levels to become effective from fiscal year 2014.

Australia	3,200,000 CFP units
France	2,500,000 CFP units
New Zealand	2,050,000 CFP units
<u>USA</u>	<u>1,417,665 CFP units</u>
Total	9,167,665 CFP units

244. With regard to assessed contributions by island members, CRGA agreed to recommend to the Eighth Conference of the Pacific Community that it:

- iv. maintain the current approach of grouping island members in accordance with their government recurrent expenditure; and
- v. assign country groups and contribution amounts (totalling 2 million CFP units) to the five groups as follows.

Group 1: 360,000 CFP units	Group 2: 130,000 CFP units	Group 3: 63,000 CFP units	Group 4: 52,000 CFP units	Group 5: 42,000 CFP units
New Caledonia Papua New Guinea	Fiji French Polynesia Guam	American Samoa Federated States of Micronesia Northern Mariana Islands Samoa Solomon Islands Vanuatu	Cook Islands Kiribati Marshall Islands Palau Tonga	Nauru Niue Pitcairn Islands Tokelau Tuvalu Wallis and Futuna

245. With regard to assessed contributions of countries that have access to SPBEA services, CRGA agreed to recommend to the Eighth Conference of the Pacific Community that it:

- vi. note that the SPBEA contributions currently paid by member countries that are receiving SPBEA services will be added to the respective country's assessed contribution at current levels: 23,600 CFP units (Fiji, Samoa, Solomon Islands, Tonga and Vanuatu), 17,300 CFP units (Kiribati) and 13,100 CFP units (Nauru, Tokelau and Tuvalu).

Member	Assessed contribution prior to adding SPBEA contribution in CFP units	SPBEA contribution added in CFP units	Grand total following inclusion of SPBEA contribution in CFP units
Fiji	130,000	23,600	153,600
Samoa	63,000	23,600	86,600
Solomon Islands	63,000	23,600	86,600
Vanuatu	63,000	23,600	86,600
Tonga	52,000	23,600	75,600
Kiribati	52,000	17,300	69,300
Nauru	42,000	13,100	55,100
Tokelau	42,000	13,100	55,100
Tuvalu	42,000	13,100	55,100

246. With regard to host grants, CRGA agreed to recommend to the Eighth Conference of the Pacific Community that it:

- vii. note that the preliminary results of the independent study confirm that host countries receive significant economic benefits from the presence of SPC and request the secretariat to make the report available to all members;

- viii. approve the introduction of host grants for Federated States of Micronesia and Solomon Islands;
- ix. acknowledge that the secretariat proposed to increase the host grant to 3,000,000 CFP units to be achieved by fiscal years 2015/2016 and note that the secretariat will consult with the four host countries on the allocation, further noting that Solomon Islands and Federated States of Micronesia have agreed to their inclusion in this group, and welcome the confirmation from Solomon Islands that it will make an annual host grant of 50,000 CFP units;
- x. agree to maintain the current host grants for New Caledonia and Fiji at the rounded amounts of 60,000 CFP units and 40,000 CFP units, respectively, for fiscal year 2014.

#### **AGENDA ITEM 5.4 – RISK-RESILIENT DEVELOPMENT: AN INTEGRATED APPROACH TO MANAGING CLIMATE, DISASTER AND HUMAN SECURITY RISKS**

247. Pacific Island countries and territories (PICTs) are particularly vulnerable to a range of natural hazards related to climate, geology (e.g. earthquakes, tsunami) and disease. These hazards have high risks for human security, especially in terms of water and food security, the natural environment, health, economic infrastructure and social institutions. PICTs have made progress in recent years in addressing the risks posed by climate change and natural disasters, but much more work remains to be done to reduce vulnerability and exposure. There are a range of measures that PICTs can adopt to better manage risk and more effectively use the financial resources already available internally or from external sources to achieve stronger impact per dollar spent, including:

- a. integrating climate change and disaster risk management in one strategy for climate and disaster resilient development;
- b. adopting an integrated, multi-sector, ‘many partners, one team’ approach to implementing the new integrated strategy;
- c. prioritising risk management initiatives;
- d. assessing implications for delivering relevant SPC services to PICTs;
- e. mainstreaming risk management approaches across SPC.

248. Several PICTs are already implementing integrated multi-sector approaches; for example, the Choiseul Province initiative in Solomon Islands, and the Abaiang Island initiative in Kiribati. Internally SPC has also moved towards a multi-sector programming approach.

249. The Director-General said that many members had created joint national action plans for climate change and disaster risk reduction, and that several organisations were working together to put together a roadmap to replace the separate regional frameworks with a single combined one when they end in 2015. He introduced the Premier of Choiseul Province, Solomon Islands who had come to talk about a project taking place in Choiseul involving many agencies. Christelle Pratt and Professor John Hay, who had been engaged to work on the combined strategy, were also present and would talk about their work.

250. SPC’s Senior Climate Change Advisor spoke about the background and context of human security issues in region. He said the goal was to increase resilience by better handling risks. He explained that the most important aspect of development was ensuring human security and sustainable livelihoods. Some of the region’s risks were human induced and related to the socio-economic context. Other risks related to the dispersed island environment, the limited resource base, health, resource use, and vulnerability to natural hazards. PICTs experienced large economic losses as a result of disasters. Climate change would exacerbate these hazards and also bring other risks relating to food security and degradation of the natural environment. To face these challenges, he said it was important to prioritise the most urgent tasks, build better understanding of how hazards and climate change impact human security, develop a better business case for risk reduction measures, and adopt a multi-sector integrated approach, which was a more efficient way to

address these issues. The Choiseul project was a good example of this approach and could serve as a potential model. The Lifuka project was another.

251. The Head of the Disaster Reduction Programme said that Choiseul and Lifuka were examples of work on the local level but there was also national and regional level work being done bringing together stakeholders in risk reduction and climate change. In 2010, Tonga was the first country to integrate approaches to the two and create a joint national action plan. At present, he said, 13 of 14 Pacific Island countries had decided to adopt the integrated approach. National action plans were in place or being developed across most of the region. But there was no 'one size fits all' approach and countries were adapting things to their needs and context. At the regional level, SPC, the UN agencies and other CROP agencies (SPREP and PIFS) were combining their efforts to provide an enabling environment to match what was being done at the local and national level. In terms of the policy framework, the Hyogo Framework for Action in the area of disaster risk reduction and the UN Framework Convention on Climate Change were the worldwide frameworks, and both were ending in 2015. There were many benefits to the coordinated approach, including increased efficiency and eliminating 'mission fatigue' in countries. At SPC, the new Programmes Directorate would be overseeing programmes, and a new climate change/disaster risk management unit would be created in that directorate to oversee the work. A holistic risk management approach would be adopted in programming, and SPC had adopted a greenhouse gas reduction strategy targeting a 30% reduction by 2016.

252. The Premier of Choiseul Province spoke about the Choiseul project. He said that two years ago a forward thinking person in Solomon Islands had said that he was tired of individual projects and pilots that did not lead to any results, noting that there were a lot of funds for climate change but it seemed there was a lack of progress in the Pacific Islands. Thus had started an effort to 'think outside the box' to get results in Solomon Islands to address weather extremes and other present effects of climate change. The project worked across many sectors in an integrated way, with activities that included helping farmers as soil fertility declined, educating villages on nutrition (which would also help address NCDs), and adapting approaches for fisheries. The team came up with an integrated programme and chose to test it in Choiseul province. Project partners were SPC, GIZ, SPREP, UNDP, the Pacific-Australia Climate Change Science and Adaptation Planning (PACCSAP), the Nature Conservancy and the US Agency for International Development. A joint mission was undertaken to the province, with a workshop in the provincial capital at which 80 of 140 participants were from the province. Activities were planned and implemented from Honiara in cooperation with the province. The Kiribati government had adopted a similar approach for the island of Abaiang. He said that an integrated, whole-of-island approach was valuable, and that the team was confident it would overcome the challenges of putting theory into practice as it owned the approach and the responsibility of making it work. In closing he thanked the projects partners.

253. Christelle Pratt spoke about the integrated strategy. She said it would answer questions like what is disaster and climate change resilient development. Several countries were meeting very few MDGs. She said that MDGs 1, 7 and 8 were sensitive to climate change and hazards, and that prevention was the best approach. Recent events showed fewer casualties but more damage per event. Not enough was being done in planning and making development choices, although almost all countries were integrating their plans. The fact that there were many institutions in climate change and others in disaster risk management had made it complicated to integrate the two. But there was an increasing motivation to make it work. The purpose of the strategy was to facilitate an environment in which natural hazards no longer posed risks, and to provide relevant guidance to countries to ensure their policies were resilient to disaster and climate change risk. Present thinking for the strategy focused on four pillars: strengthened risk management, low-carbon development, strengthened preparedness and response recovery, and management of new and emerging issues. The strategy should also be linked to other processes relating to developing the post-2015 development agenda. Future steps would include an approval process in 2014, with the draft to be tabled at regional meetings during the year including CRGA, and at the Forum Leaders' Meeting in 2015.

254. The Deputy Director-General, Programmes, said that the strategy underscored how important it was for SPC to adapt its programming. He said resource mobilisation was also important for SPC. The Choiseul project showed the need for countries to head up the effort, exercise control and demand regional cooperation for an integrated approach.



255. The representative of Cook Islands acknowledged the presentations and said Cook Islands recognised the Choiseul project and the value of its single management structure. He said Cook Islands thanked SPC for the work that had been demonstrated as well as Christelle Pratt and Professor Hay for their work.

256. The representative of France said that the presentations showed the capacity of the Pacific Community to respond to an important challenge, and the value of a multi-sectoral integrated approach, noting that facilitating this sort of approach was one of the goals of the Deputy Director-General, Programmes, position. He said that creating and filling the position was a very positive development as it created a link between the components of strategies. The topic was very relevant as France would be chairing the 21<sup>st</sup> Conference of the Parties to the UN Framework Convention on Climate Change (COP21) in 2015 and Pacific Island countries shared concerns that would be discussed at that meeting.

257. The representative of Kiribati congratulated the presenters, noting members felt strongly about these important issues. Kiribati commended SPC for taking using an integrated approach in several sectors. Kiribati was also taking this approach. Kiribati welcomed the planned establishment of a climate change and disaster risk management unit in 2014 to advise divisions and PICTs, and noted that it was also good to see SPC setting the ambitious goal to reduce its greenhouse gas emissions by 30%. She said that climate change was a critical issue for Kiribati, and that it needed help building its resilience. Kiribati was also glad to see the launch of an EU–UN project on migration. The issue was an important one in Kiribati – though it was considered a last resort, and the work would help Kiribati build a business case and communicate about what was important to it.

258. The representative of New Caledonia commended the presenters, saying that the issues required a multi-sector approach and better coordination among organisations. New Caledonia was waking up a bit late in terms of climate change and it needed help from SPC. It was developing a master plan on climate change mitigation and soon would start working on adaptation to climate change. The territory would be developing a climate change strategy, and the fact that it would soon be taking over responsibility for civil defence from France was a positive point. New Caledonia stood ready to help SPC members get access to funds and was also motivated to participate in a steering committee.

259. The representative of Niue commended the presenters. He said that since the July disaster risk management and climate change summit in Nadi, Niue had made progress in this work. Natural disasters were getting more severe and PICTs needed strategies to face them. Niue wanted to work on the practicalities of implementing the plan; for example, taking lessons from 2004, it wanted to have a reserve fund to face natural hazards until outside help arrived. The particular circumstances of Niue and other small island states were important to take into account. He noted that Niue was not member of the World Bank, so its access to assistance was limited. It had access to higher-level help for planning, but less for help implementing and dealing with specifics. Overall, he said the information presented was very useful, but he'd like to see more details on smaller steps.

260. The representative of Solomon Islands congratulated the presenters, including the Premier of Choiseul Province. He said Solomon Islands had been an advocate and beneficiary of the new approach being discussed. Choiseul was also trying to relocate its small capital to the mainland to address risks from climate change and also from other sources. Progress was being made with infrastructure for the new capital. He noted that resilience was related to urbanisation and the development of infrastructure. Solomon Islands had sent a delegation to Fiji to learn about planning from small townships there. Other risks came from human sources, and it was important not to let those offset gains in disaster risk management. There were many hard and complex choices to make when taking up the challenge of building a new capital – some risks could be planned for and others could not.

261. The representative of RMI thanked SPC for the presentations and for its assistance to members in climate change and disaster risk management. There was an SPC team in Majuro now working on a joint national action plan. She said that she wished to register RMI's gratitude to SPC for its continued assistance, noting that climate change had arrived so it was a must. She congratulated SPC for integrating climate change and disaster risk management in all of its divisions, and echoed previous comments on the special needs of small island states.

262. The representative of USA thanked the Premier of Choiseul Province for taking the time to speak to the meeting, noting that the project was a model and that USA was happy to have supported it through USAID. USA appreciated the work of SPC on integrating climate change and disaster risk management, including at the regional level. The integration helped improve outcomes in both areas thanks to synergies, and the synergies could also contribute to sustainability. USA supported continuing first steps in this area such as capacity building, mapping and assessment, and recognised that countries would need support. He said that invasive species were also important to human security and were an escalating threat to Pacific economies. As an inherently cross-cutting issue, this should be included in risk resilient development. USA suggested that invasive species be listed and addressed as an issue in SPC documents so that SPC could highlight its many projects in this area, including its role in the Micronesian biosecurity plan.

263. The representative of FSM expressed FSM's appreciation to the panellists, and to SPC – AGTD in particular – for its assistance with passage of the joint national action plan. FSM would continue to need assistance as it aligned its national policy with those of the four autonomous states and in the critical implementation phase.

264. The representative of Fiji congratulated the presenters and thanked the Premier of Choiseul Province. Fiji wished to echo the sentiments already expressed. He noted that regional strategies had to be in line with what was happening at the national level.

265. The representative of Guam said that this was an area of great interest to Guam. The Governor of Guam had been appointed to President Obama's task force and Guam thanked SPC for providing valuable information about climate change. The representative of Guam who had attended the July meeting had come back with so much information and knowledge that she had been named to head the task force. She noted that there were many activities, even just in Micronesia, and studies being undertaken, and said that she hoped that all research data could be brought together in a hub to be shared. The Pacific Islands were highly vulnerable, and it was sometimes discouraging to see that other countries outside the region were very behind in this area – even the big countries. She said that as the Micronesia Chief Executives Summit was coming up and the Governor of Guam had asked to have climate change on the agenda, Guam was requesting that someone from SPC make a presentation.

266. The Chair said that it was important to take advantage of opportunities such as Guam's membership of the Obama task force and France's hosting of COP 21.

267. The Deputy Director-General, Programmes, acknowledged the expressions of gratitude for the support from SPC. He said that arrangements were being made to transfer monitoring and evaluation and coordination of climate change from SEPPF to the Programmes Directorate. The establishment of a joint steering committee was being looked at, and SPC noted the will of New Caledonia to participate. He said that Niue's idea of a response facility was an excellent one and SPC would take it onboard and explore the idea further, including how to facilitate access to resources.

268. The Head of the Disaster Reduction Programme thanked members for their comments. Regarding a response fund, he noted that there was a regional initiative in place undertaken by the World Bank, Japan and others, and that part of it was a pilot project on disaster risk insurance that drew on experience in the Caribbean. The pilot project covered five countries and would run until the end of 2014.

269. Professor Hay said Niue had posed an important question on implementing plans. He said that this presented a challenge but also an opportunity. It was important to engage with all key stakeholders and have comprehensive monitoring and evaluation and learning so that if early on it became clear that parts of the plan were not being implemented, it would be possible to learn from that and adapt. Regarding the comments from Niue on financing, he said PIFS had developed and was trialling a financing framework tool allowing countries to analyse their frameworks and access sources they might not have known about. He said that the suggestion of concentrating on small steps was a good one. He said that USA had made an important point about invasive species, and he emphasised that this would be an important part of the strategy. He noted that invasive species can also be disease vectors. In response to the request from Guam, he said that SPC had a climate change expert at its Northern Pacific Regional Office in Pohnpei and Guam should consider inviting her to address the meeting.

270. The Deputy Director-General, Programmes, paid tribute to donors for their funding and their emotional involvement in this area, citing Australia, New Zealand, Germany, USA, EU and Japan.

271. The Director-General said that SPC would continue to integrate the way it worked, breaking down 'silos', and that it could learn from members too. He said he hoped that next year SPC would be able to show more of the work tying its various divisions together at national level and the results at country level.

272. The Chair thanked all presenters, particularly the Premier of Choiseul Province. She said that the need for the strategy had come out clearly in the presentations. Some members had made progress at national level. She noted that a focus on the needs of people – their security and livelihoods – had to be at the heart of the efforts. There was a need for capacity and resources on the ground to respond, and a need for 'champions' as well as constant engagement.

## **RECOMMENDATIONS**

273. CRGA agreed to recommend to the Eighth Conference of the Pacific Community that it:

- i. note that climate change and natural hazards including invasive species pose significant risks to Pacific people and to achieving the sustainable development objectives of Pacific Island countries and territories;
- ii. endorse the secretariat's efforts to integrate climate change and disaster risk management through the 'roadmap' process for the development of the Strategy for Disaster and Climate Resilient Development in the Pacific by 2015;
- iii. commend the efforts being made at national level by Pacific Island countries and territories to understand and manage climate change and disaster risks and engage in relevant international forums;
- iv. commend the secretariat's efforts to enhance its capacity to contribute more effectively to climate and disaster resilient development in the region and thank the development partners that fund the work;
- v. express gratitude to the Premier of Choiseul Province for presenting the Choiseul Province initiative and the benefits of this people-led, community-based multi-sector, multi-partner approach.

## **AGENDA ITEM 5.5 – ENHANCING SPC'S ENGAGEMENT IN THE INTERNATIONAL AND REGIONAL DEVELOPMENT AGENDA**

274. The Director-General that SPC was doing analytical work in the lead up to the post-2015 development agenda, but that the question the region faced was how it as a region could influence the outcomes of this process. The UN Secretary General had set up a High-Level Panel to look at goals to succeed the MDGs, and the panel had come up with five transformative shifts and 12 goals. There was also an open working group process under the UN Conference on Sustainable Development, in which three SPC members were represented. An important question was whether there would be a point of convergence on the outcomes of the open working group and the high-level panel, as there was potential for overlap. In the Pacific, efforts in this area included the Pacific meeting of Small Island States in Nadi in July 2013, which came up with a list of priorities for the Pacific. Samoa was hosting the International Conference on Small Island Developing States (SIDS) in 2014, which would focus on enhancing partnerships. He said that it was important to consolidate a regional position representing key national priorities, and that this international conference presented a rare opportunity to influence the international agenda. Other opportunities include the fact that Fiji was chairing the G77 and Nauru was chairing the Alliance of Small Island States. It was important to be united in the effort to have a real impact. Discussion would help all parties to be on the same page and would help members focus on their goals before the SIDS meeting. Some issues were missing from the open working group process, including oceans, climate change adaptation, culture and NCDs. He noted that the

MDGs had goals and targets, but the indicators were global and some were not relevant for small island states and the Pacific region. It was important for the region to have the right targets and indicators to show outcomes. Another lesson from the MDGs was that the goals could have been more specific. He said that under the open working group priorities, it would be good to have specific goals for the Pacific, and that he hoped that the region's priorities would be reflected in the Sustainable Development Goals that were expected to be developed to succeed the MDGs. The fact that France would be hosting COP 21 presented another opportunity for the region to present its ideas in a global forum.

275. The Chair noted that in addition to the opportunities already mentioned, Australia would be hosting a meeting of the G20 in 2014, PNG would be hosting an Asia–Pacific Economic Cooperation meeting in 2018, and USA would be hosting a conference on oceans. She said that Pacific leaders had met with the UN Secretary General in New York and he had guaranteed that the issue of oceans would be on the agenda, and progress was being made in getting NCDs included too.

276. The representative of USA said USA concurred with the recommendations. USA had strongly supported the MDGs and good progress had been made but was uneven. USA supported continuing efforts to meet current goals by 2015, as much remained to be done to achieve or exceed them. USA welcomed the report of the high-level panel as a foundation on which to build the post-2015 development agenda and work together to end extreme poverty. USA felt that poverty reduction and sustainability were compatible and should be addressed simultaneously. Future goals should reflect lessons learned from the MDGs, combining the clarity, ambitiousness and measurability of the MDGs with better targeting of the key drivers of development and a more integrated approach. USA welcomed SPC's support to countries to seize this opportunity, though it noted that it would not be possible to incorporate all worthy ideas into the final framework.

277. The representative of PNG said PNG endorsed the paper and the recommendations. PNG commended the exceptional work of SPC in helping the region refine priorities and communicate them to various forums. PNG supported the statement by the Director-General that it was important to use every opportunity to make sure the region's ideas were communicated and to stand with one voice.

278. The representative of Cook Islands said Cook Islands supported the recommendations. He thanked the Prime Minister of Samoa for his vision regarding the priorities for the SIDS meeting. He noted that the regional framework for climate change (which was to be integrated with the framework on disaster risk management) addressed oceans, and that it would be important to keep that.

279. The representative of Samoa thanked the Chair and the Director-General for the paper, which provided useful information on where things were in both processes. She said that the Pacific had never been better placed than at present for influencing the international agenda, but the paper did not make firm proposals on what to do. Presenting a strong regional position at the SIDS meeting was important. Samoa's New York mission emphasised the importance of using UN missions to influence agendas. She noted that great things were happening in the region, but that the information needed to be fed to New York missions for them to communicate to others in international forums. There was a need for consistency in advocating a regional position, fine tuning of prioritisation, application of eligibility tests for national- versus regional-level responsibilities, and translation of partnerships into actions. She noted that delegates would remember the conference if a partnership was launched to benefit the region and members.

280. The representative of New Caledonia said that it was necessary to ensure that Pacific Island regional priorities influence all forums, and that SPC could and did play an important role. It was important to have linkages between SPC strategic plans and JCSs for coherence between various PICTs. She noted that in the build-up to the conference, regional cooperation had been challenged by the issue of which PICTs could participate and which could not. She said that New Caledonia had been glad to hear from the UN that issues of who could participate and who could not would be discussed.

281. The Chair noted that forums like CRGA provided the opportunity to consolidate the region's position, and that those members that would be at the conference would have a responsibility to put forward the position.

282. The representative of Niue thanked the Director-General for the paper and acknowledged the help from members with a presence in the UN in advocating the region's positions. Niue agreed with New Caledonia that SPC and other CROP agencies provided opportunities to establish the region's position.

283. The representative of Kiribati agreed with the statement by Samoa that it was important to enhance engagement with SIDS in New York. She said that the theme of oceans was important for all SPC members and needed to be stressed and integrated into the position for the SIDS conference. She noted Kiribati's gratitude to SPC for its technical support and to SPC and other partners for helping the country achieve good outcomes from these conferences.

284. The representative of Solomon Islands addressed the issue of the inclusiveness of the process, which had been brought up by New Caledonia. He explained that the July SIDS preparatory meeting in Nadi had not included all participants. This raised important questions about how inclusive the region is and how good members are at representing other members' positions.

285. The Chair said that representatives from other SIDS regions had noted that the Pacific was quite inclusive – more than other regions – but that it was important to keep the issue in mind and remember that those present at these meetings represented all Pacific people.

## **RECOMMENDATIONS**

286. CRGA agreed to recommend to the Seventh Conference of the Pacific Community that it:

- i. note that the global process for developing the post-2015 development goals has begun;
- ii. seize the opportunity to present a strong regional position, including through developing and launching concrete partnerships, to ensure lasting and meaningful outcomes; that address priorities critical to the Pacific Islands region, such as their ocean resources, are considered by the *Third International Conference on the Sustainable Development of Small Island Developing States (SIDS)* in September, 2014;
- iii. advocate strongly for greater coherence and convergence of the existing parallel processes to agree on one common set of development goals after 2015;
- iv. acknowledge the secretariat's efforts to provide effective support to all island members to assist them in their efforts to engage in the post-2015 development agenda.

## **AGENDA ITEM 5.6 – FINDINGS OF THE PACIFIC PLAN REVIEW AND POSSIBLE IMPLICATIONS FOR SPC**

287. Although the final report of the review is yet to be released, SPC presented an assessment based on early documents presented to the Pacific Plan Action Committee before the 44<sup>th</sup> Pacific Islands Forum Meeting in Majuro in RMI in September 2013. Early briefings on the results of the review of the Pacific Plan indicate that the review team recommends substantial reform. There is explicit recognition of the sovereignty of SPC's governing body. However, aspects of the reform will have implications for SPC, particularly in areas where SPC could contribute to the reform process or support PIFS. Some of the reforms recommended are similar in nature to those made by SPC's own independent external review. Our experience in this regard could help in strengthening the proposed 'Framework for Pacific Integration', if implemented, and in providing support for PIFS. When the final report is released, the secretariat will, if necessary, prepare a brief with specific responses on recommendations that may have implications for SPC and its work.

## **RECOMMENDATIONS**

288. CRGA agreed to recommend to the Seventh Conference of the Pacific Community that it:

- i. note the update on the preliminary findings and recommendations of the Pacific Plan review;

- ii. note that the role of other organisations and the sovereignty of their governing bodies, as well as the SPC governing body, is explicitly recognised;
- iii. further note that when the final report is released, the secretariat will if necessary provide a brief with specific responses to review recommendations that may have implications for SPC's work.

#### **AGENDA ITEM 6 – STATEMENTS FROM OBSERVERS**

289. CRGA acknowledged with interest and appreciation the statements made by the following observers and partners: GIZ, University of the South Pacific, and United Nations agencies including UNDP, UN Children's Fund (UNICEF), UN Office for Disaster Risk Reduction, and the Food and Agriculture Organization (statement handed to the secretariat).

#### **AGENDA ITEM 7 – RECRUITMENT OF THE DIRECTOR-GENERAL**

290. This agenda item was discussed in camera, with CRGA's recommendation to the Conference being made in a letter from the Chairperson of CRGA to the Chairperson of Conference.

#### **AGENDA ITEM 8 – CRGA 44: VENUE, CHAIRPERSON AND VICE-CHAIRPERSON**

291. The CRGA rules of procedure state that CRGA will meet once a year at SPC headquarters in Noumea, except during the years when the Conference is convened, when CRGA will meet immediately before the Conference at a venue chosen by members. In accordance with CRGA rules, the venue for CRGA 44 in 2014 will be SPC headquarters, Noumea, New Caledonia.

#### **RECOMMENDATIONS**

292. CRGA agreed to recommend to the Seventh Conference of the Pacific Community that it:

- i. note that the venue for the meeting of CRGA 44 in 2014 will be Noumea, New Caledonia, and that members will be advised in due time of the meeting dates;
- ii. note that the Chairperson for CRGA 44 will be provided by Marshall Islands and the Vice-Chairperson by Nauru.

#### **AGENDA ITEM 9 – OTHER BUSINESS**

293. Niue asked the Chair of CRGA to write to the Chair of Conference, and to individual governments, praising the leadership of Dr Rodgers and thanking him for his contribution to SPC and the region.

294. With the support of the meeting, the Chair agreed to the writing of the letter.

#### **AGENDA ITEM 10 – ADOPTION OF CRGA DECISIONS**

295. CRGA adopted its decisions.

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**Resource Person**

Honourable Mr Paul Jackson Kiloe



## SENIOR OFFICERS OF THE SECRETARIAT OF THE PACIFIC COMMUNITY

Director-General	Dr Jimmie Rodgers
Deputy Director-General, Programmes	Mr Fabian McKinnon
Deputy Director-General Operation and Management	Mr Cameron Diver
Deputy Director-General (Suva)	Mrs Fekitamoeloa 'Utoikamanu
Director – North Pacific Regional Office	Mr Gerald Zackios
Director – SPC / SOPAC Division	Prof. Michael Petterson
Acting Director, Fisheries, Aquaculture and Marine Ecosystems Division	Dr John Hampton
Director – Economic Development Division	Capt. John Hogan
Director PHD	Dr Colin Tukuitonga
Acting Director – Land Resources Division	Mr Sairusi Bulai
Acting Director, Finance	Mr John Yee Chief
Director, Statistics for Development Division	Dr Gerald Haberkorn
Director Strategic Engagement, Policy and Planning Division	Mr Cameron Bowles
Coordinator, Solomon Islands country office	Ms Mia Rimon
Manager - Director, Human Resources	Mrs Christine Croombes
Principal Adviser and Liaison – Director-General's Office	Ms Patricia Sachs Cornish
Acting Manager – Administration	Mr Akhilesh Prasad





## EXPENDITURE BUDGET

EXPENDITURE BY CHAPTER	2013			Revised 2013		
	Core	Project	Total	Core	Project	Total
<b>TOTAL INCOME</b>	<b>24 720 100</b>	<b>70 000 900</b>	<b>94 721 000</b>	<b>25 840 600</b>	<b>82 657 200</b>	<b>108 497 800</b>
<b>CHAPTER I – DIRECTOR-GENERAL'S OFFICE AND DEPUTY DIRECTORS GENERAL</b>						
Director-General's Office	604 200		604 200	728 100	764 000	1 492 100
Deputy Director-General (Programmes)	100 000		100 000	100 000	7 128 700	7 228 700
Deputy Director-General (Operations and Management)	256 400		256 400	260 600		260 600
Deputy Director-General (Suva)	233 600		233 600	224 300		224 300
Strategic Engagement, Policy and Planning Facility	569 000	5 403 400	5 972 400	976 300	378 500	1 354 800
Communications and Public Relations	352 900	10 700	363 600	256 100	10 000	266 100
<b>TOTAL CHAPTER I</b>	<b>2 116 100</b>	<b>5 414 100</b>	<b>7 530 200</b>	<b>2 545 400</b>	<b>8 281 200</b>	<b>10 826 600</b>
<b>CHAPTER II - APPLIED GEOSCIENCE AND TECHNOLOGY DIVISION</b>						
Director's Office	829 400	246 200	1 075 600	973 700	301 400	1 275 100
Disaster Reduction	400 000	7 949 600	8 349 600	400 000	7 325 400	7 725 400
Oceans and Islands	520 000	3 134 600	3 654 600	520 000	4 112 700	4 632 700
Water and Sanitation	370 000	1 718 600	2 088 600	370 000	2 370 300	2 740 300
<b>TOTAL CHAPTER II</b>	<b>2 119 400</b>	<b>13 049 000</b>	<b>15 168 400</b>	<b>2 263 700</b>	<b>14 109 800</b>	<b>16 373 500</b>
<b>CHAPTER III - ECONOMIC DEVELOPMENT DIVISION</b>						
Director's Office	185 700	18 600	204 300	174 600	259 600	434 200
Energy	200 000	6 298 500	6 498 500	196 200	9 118 900	9 315 100
Transport	200 000	1 174 700	1 374 700	196 200	1 797 100	1 993 300
<b>TOTAL CHAPTER III</b>	<b>585 700</b>	<b>7 491 800</b>	<b>8 077 500</b>	<b>567 000</b>	<b>11 175 600</b>	<b>11 742 600</b>
<b>CHAPTER IV - EDUCATION, TRAINING AND HUMAN DEVELOPMENT</b>						
Secretariat of the Pacific Board for Educational Assessment	1 348 100	2 274 800	3 622 900	1 386 200	2 709 300	4 095 500
Community Education Training Centre	381 700	44 400	426 100	351 500	81 700	433 200
Human Development	880 500	569 200	1 449 700	869 900	876 800	1 746 700
Pacific Regional Rights Resource Team	-	2 549 100	2 549 100		3 112 400	3 112 400
<b>TOTAL CHAPTER IV</b>	<b>2 610 300</b>	<b>5 437 500</b>	<b>8 047 800</b>	<b>2 607 600</b>	<b>6 780 200</b>	<b>9 387 800</b>
<b>CHAPTER V - FISHERIES, AQUACULTURE AND MARINE ECOSYSTEMS</b>						
Director's Office	366 600	466 900	833 500	332 100	609 000	941 100
Coastal Fisheries	1 408 000	3 603 500	5 011 500	1 413 300	3 691 000	5 104 300
Oceanic Fisheries	1 146 700	6 521 500	7 668 200	1 175 900	6 464 100	7 640 000
<b>TOTAL CHAPTER V</b>	<b>2 921 300</b>	<b>10 591 900</b>	<b>13 513 200</b>	<b>2 921 300</b>	<b>10 764 100</b>	<b>13 685 400</b>
<b>CHAPTER VI - LAND RESOURCES</b>						
Director's Office	407 900	178 600	586 500	390 700	873 900	1 264 600
Trade and Agribusiness Programme	114 900	5 078 400	5 193 300	672 200	5 394 700	6 066 900
Sustainable Resource Management Programme	1 048 000	1 520 700	2 568 700	379 200	1 712 300	2 091 500
Food and Nutritional Security Programme	380 100	2 208 500	2 588 600	291 600	1 414 700	1 706 300
<b>TOTAL CHAPTER VI</b>	<b>1 950 900</b>	<b>8 986 200</b>	<b>10 937 100</b>	<b>1 733 700</b>	<b>9 395 600</b>	<b>11 129 300</b>
<b>CHAPTER VII - PUBLIC HEALTH</b>						
Director's Office	493 700	335 800	829 500	411 000	372 500	783 500
Research, Evidence and Information	791 900	958 700	1 750 600	658 200	1 943 500	2 601 700
Grant Management	-	13 954 500	13 954 500		15 271 300	15 271 300
Policy, Planning and Regulation	280 000	348 000	628 000	271 400	594 700	866 100
<b>TOTAL CHAPTER VII</b>	<b>1 565 600</b>	<b>15 597 000</b>	<b>17 162 600</b>	<b>1 340 600</b>	<b>18 182 000</b>	<b>19 522 600</b>
<b>CHAPTER VIII - STATISTICS FOR DEVELOPMENT</b>						
Statistics for Development	1 100 100	2 767 000	3 867 100	1 130 100	3 191 700	4 321 800
<b>TOTAL CHAPTER VIII</b>	<b>1 100 100</b>	<b>2 767 000</b>	<b>3 867 100</b>	<b>1 130 100</b>	<b>3 191 700</b>	<b>4 321 800</b>
<b>CHAPTER IX - OPERATIONS AND MANAGEMENT</b>						
<b>Decentralised Offices :</b>						
North Pacific Regional Office	555 000		555 000	525 200		525 200
Solomon Islands Country Office	227 900		227 900	237 200		237 200
<b>Subtotal</b>	<b>782 900</b>	<b>-</b>	<b>782 900</b>	<b>762 400</b>	<b>-</b>	<b>762 400</b>
<b>Corporate Services :</b>						
Director's Office		-			-	
Administration	1 066 900	38 900	1 105 800	1 229 900	8 000	1 237 900
Finance	1 096 600	385 000	1 481 600	950 200	269 000	1 219 200
Human Resources	608 400	242 500	850 900	858 900	204 000	1 062 900
<b>Subtotal</b>	<b>2 771 900</b>	<b>666 400</b>	<b>3 438 300</b>	<b>3 039 000</b>	<b>481 000</b>	<b>3 520 000</b>
<b>Programme Support Services :</b>						
Information Communication Technology	1 278 100		1 278 100	1 337 900	296 000	1 633 900
Library	379 600		379 600	368 400		368 400
Publications	999 900		999 900	1 083 300		1 083 300
Translation and Interpretation	1 326 300		1 326 300	1 261 500		1 261 500
<b>Subtotal</b>	<b>3 983 900</b>	<b>-</b>	<b>3 983 900</b>	<b>4 051 100</b>	<b>296 000</b>	<b>4 347 100</b>
<b>TOTAL CHAPTER IX</b>	<b>7 538 700</b>	<b>666 400</b>	<b>8 205 100</b>	<b>7 852 500</b>	<b>777 000</b>	<b>8 629 500</b>
<b>CHAPTER X – COMMON CHARGES</b>	<b>2 212 000</b>		<b>2 212 000</b>	<b>2 878 700</b>		<b>2 878 700</b>
<b>TOTAL EXPENDITURE</b>	<b>24 720 100</b>	<b>70 000 900</b>	<b>94 721 000</b>	<b>25 840 600</b>	<b>82 657 200</b>	<b>108 497 800</b>
<b>INCOME LESS EXPENDITURE</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

**EXPENDITURE BUDGET**

EXPENDITURE BY CHAPTER	2014			2015		
	Core	Project	Total	Core	Project	Total
<b>TOTAL INCOME</b>	<b>26 762 600</b>	<b>68 594 800</b>	<b>95 357 400</b>	<b>27 795 100</b>	<b>41 089 400</b>	<b>68 884 500</b>
<b>CHAPTER I – DIRECTOR-GENERAL'S OFFICE AND DEPUTY DIRECTORS GENERAL</b>						
Director-General's Office	811 200		811 200	928 000		928 000
Deputy Director-General (Programmes)	577 100	10 648 800	11 225 900	484 900	8 016 500	8 501 400
Deputy Director-General (Operations and Management)	379 300		379 300	385 900		385 900
Deputy Director-General (Suva)	234 800	45 800	280 600	234 800		234 800
Strategic Engagement, Policy and Planning Facility	1 082 100	431 900	1 514 000	1 082 100		1 082 100
Communications and Public Relations	405 600		405 600	398 600		398 600
<b>TOTAL CHAPTER I</b>	<b>3 490 100</b>	<b>11 126 500</b>	<b>14 616 600</b>	<b>3 514 300</b>	<b>8 016 500</b>	<b>11 530 800</b>
<b>CHAPTER II - APPLIED GEOSCIENCE AND TECHNOLOGY DIVISION</b>						
Director's Office	870 300	258 100	1 128 400	973 700	13 000	986 700
Disaster Reduction	373 700	5 413 300	5 787 000	400 000	5 115 000	5 515 000
Oceans and Islands	486 600	5 568 400	6 055 000	520 000	857 500	1 377 500
Water and Sanitation	346 100	2 569 800	2 915 900	370 000	2 725 000	3 095 000
<b>TOTAL CHAPTER II</b>	<b>2 076 700</b>	<b>13 809 600</b>	<b>15 886 300</b>	<b>2 263 700</b>	<b>8 710 500</b>	<b>10 974 200</b>
<b>CHAPTER III - ECONOMIC DEVELOPMENT DIVISION</b>						
Director's Office	177 500	288 600	466 100	183 800	234 000	417 800
Energy	172 600	5 659 100	5 831 700	196 200	2 911 100	3 107 300
Transport	172 600	2 110 700	2 283 300	196 200	1 770 300	1 966 500
<b>TOTAL CHAPTER III</b>	<b>522 700</b>	<b>8 058 400</b>	<b>8 581 100</b>	<b>576 200</b>	<b>4 915 400</b>	<b>5 491 600</b>
<b>CHAPTER IV - EDUCATION, TRAINING AND HUMAN DEVELOPMENT</b>						
Secretariat of the Pacific Board for Educational Assessment	1 171 000	2 577 300	3 748 300	1 127 300	2 473 600	3 600 900
Community Education Training Centre			-			-
Human Development	814 100	1 251 200	2 065 300	868 000	273 600	1 141 600
Pacific Regional Rights Resource Team		1 717 800	1 717 800		1 648 300	1 648 300
<b>TOTAL CHAPTER IV</b>	<b>1 985 100</b>	<b>5 546 300</b>	<b>7 531 400</b>	<b>1 995 300</b>	<b>4 395 500</b>	<b>6 390 800</b>
<b>CHAPTER V - FISHERIES, AQUACULTURE AND MARINE ECOSYSTEMS</b>						
Director's Office	316 600		316 600	310 200		310 200
Coastal Fisheries	1 301 000	2 966 200	4 267 200	1 413 300	1 674 400	3 087 700
Oceanic Fisheries	1 045 400	4 508 500	5 553 900	1 197 800	2 030 600	3 228 400
<b>TOTAL CHAPTER V</b>	<b>2 663 000</b>	<b>7 474 700</b>	<b>10 137 700</b>	<b>2 921 300</b>	<b>3 705 000</b>	<b>6 626 300</b>
<b>CHAPTER VI - LAND RESOURCES</b>						
Director's Office	355 800	3 355 900	3 711 700	433 000	3 857 800	4 290 800
Trade and Agribusiness Programme	643 300	2 721 000	3 364 300	685 000	1 948 400	2 633 400
Sustainable Resource Management Programme	410 100	2 216 000	2 626 100	459 300	2 124 600	2 583 900
Food and Nutritional Security Programme	336 000	1 330 900	1 666 900	336 500	569 600	906 100
<b>TOTAL CHAPTER VI</b>	<b>1 745 200</b>	<b>9 623 800</b>	<b>11 369 000</b>	<b>1 913 800</b>	<b>8 500 400</b>	<b>10 414 200</b>
<b>CHAPTER VII - PUBLIC HEALTH</b>						
Director's Office	506 000	282 100	788 100	545 500		545 500
Research, Evidence and Information	647 900	1 936 600	2 584 500	595 200		595 200
Grant Management		7 267 000	7 267 000		301 500	301 500
Policy, Planning and Regulation	273 900	445 000	718 900	199 900		199 900
<b>TOTAL CHAPTER VII</b>	<b>1 427 800</b>	<b>9 930 700</b>	<b>11 358 500</b>	<b>1 340 600</b>	<b>301 500</b>	<b>1 642 100</b>
<b>CHAPTER VIII - STATISTICS FOR DEVELOPMENT</b>						
Statistics for Development	1 003 300	2 801 800	3 805 100	1 130 100	2 530 100	3 660 200
<b>TOTAL CHAPTER VIII</b>	<b>1 003 300</b>	<b>2 801 800</b>	<b>3 805 100</b>	<b>1 130 100</b>	<b>2 530 100</b>	<b>3 660 200</b>
<b>CHAPTER IX - OPERATIONS AND MANAGEMENT</b>						
<b>Decentralised Offices :</b>						
North Pacific Regional Office	544 100		544 100	559 800		559 800
Solomon Islands Country Office	241 800		241 800	246 600		246 600
<b>Subtotal</b>	<b>785 900</b>	<b>-</b>	<b>785 900</b>	<b>806 400</b>	<b>-</b>	<b>806 400</b>
<b>Corporate Services :</b>						
Director's Office		-			-	
Administration	1 541 800	23 000	1 564 800	1 554 500	14 500	1 569 000
Finance	1 206 400	179 000	1 385 400	1 222 500		1 222 500
Human Resources	1 085 600	21 000	1 106 600	1 109 100		1 109 100
<b>Subtotal</b>	<b>3 833 800</b>	<b>223 000</b>	<b>4 056 800</b>	<b>3 886 100</b>	<b>14 500</b>	<b>3 900 600</b>
<b>Programme Support Services :</b>						
Information Communication Technology	1 554 700		1 554 700	1 583 000		1 583 000
Library	378 900		378 900	385 600		385 600
Publications	1 135 600		1 135 600	1 161 500		1 161 500
Translation and Interpretation	1 400 200		1 400 200	1 436 300		1 436 300
<b>Subtotal</b>	<b>4 469 400</b>	<b>-</b>	<b>4 469 400</b>	<b>4 566 400</b>	<b>-</b>	<b>4 566 400</b>
<b>TOTAL CHAPTER IX</b>	<b>9 089 100</b>	<b>223 000</b>	<b>9 312 100</b>	<b>9 258 900</b>	<b>14 500</b>	<b>9 273 400</b>
<b>CHAPTER X – COMMON CHARGES</b>	<b>2 759 600</b>		<b>2 759 600</b>	<b>2 880 900</b>		<b>2 880 900</b>
<b>TOTAL EXPENDITURE</b>	<b>26 762 600</b>	<b>68 594 800</b>	<b>95 357 400</b>	<b>27 795 100</b>	<b>41 089 400</b>	<b>68 884 500</b>
<b>INCOME LESS EXPENDITURE</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

## EXPENDITURE BUDGET

EXPENDITURE BY CHAPTER	2016		
	Core	Project	Total
<b>TOTAL INCOME</b>	<b>27 928 100</b>	<b>31 162 200</b>	<b>59 090 300</b>
<b>CHAPTER I – DIRECTOR-GENERAL’S OFFICE AND DEPUTY DIRECTORS GENERAL</b>			
Director-General's Office	1 145 100		1 145 100
Deputy Director-General (Programmes)	792 900	6 149 800	6 942 700
Deputy Director-General (Operations and Management)	592 700		592 700
Deputy Director-General (Suva)	234 800		234 800
Strategic Engagement, Policy and Planning Facility	1 083 500		1 083 500
Communications and Public Relations	399 200		399 200
<b>TOTAL CHAPTER I</b>	<b>4 248 200</b>	<b>6 149 800</b>	<b>10 398 000</b>
<b>CHAPTER II - APPLIED GEOSCIENCE AND TECHNOLOGY DIVISION</b>			
Director's Office	973 700		973 700
Disaster Reduction	400 000	5 109 900	5 509 900
Oceans and Islands	520 000	926 700	1 446 700
Water and Sanitation	370 000	2 425 900	2 795 900
<b>TOTAL CHAPTER II</b>	<b>2 263 700</b>	<b>8 462 500</b>	<b>10 726 200</b>
<b>CHAPTER III - ECONOMIC DEVELOPMENT DIVISION</b>			
Director's Office	183 800	98 800	282 600
Energy	196 200	4 419 200	4 615 400
Transport	196 200	1 770 300	1 966 500
<b>TOTAL CHAPTER III</b>	<b>576 200</b>	<b>6 288 300</b>	<b>6 864 500</b>
<b>CHAPTER IV - EDUCATION, TRAINING AND HUMAN DEVELOPMENT</b>			
Secretariat of the Pacific Board for Educational Assessment	1 042 900	1 036 900	2 079 800
Community Education Training Centre			-
Human Development	868 000	136 800	1 004 800
Pacific Regional Rights Resource Team		622 400	622 400
<b>TOTAL CHAPTER IV</b>	<b>1 910 900</b>	<b>1 796 100</b>	<b>3 707 000</b>
<b>CHAPTER V - FISHERIES, AQUACULTURE AND MARINE ECOSYSTEMS</b>			
Director's Office	306 700		306 700
Coastal Fisheries	1 413 300	1 158 400	2 571 700
Oceanic Fisheries	1 201 300	1 171 400	2 372 700
<b>TOTAL CHAPTER V</b>	<b>2 921 300</b>	<b>2 329 800</b>	<b>5 251 100</b>
<b>CHAPTER VI - LAND RESOURCES</b>			
Director's Office	433 200	2 658 500	3 091 700
Trade and Agribusiness Programme	677 000	774 500	1 451 500
Sustainable Resource Management Programme	467 100	49 400	516 500
Food and Nutritional Security Programme	336 500	108 500	445 000
<b>TOTAL CHAPTER VI</b>	<b>1 913 800</b>	<b>3 590 900</b>	<b>5 504 700</b>
<b>CHAPTER VII - PUBLIC HEALTH</b>			
Director's Office	545 900		545 900
Research, Evidence and Information	589 300		589 300
Grant Management			-
Policy, Planning and Regulation	205 400		205 400
<b>TOTAL CHAPTER VII</b>	<b>1 340 600</b>	<b>-</b>	<b>1 340 600</b>
<b>CHAPTER VIII - STATISTICS FOR DEVELOPMENT</b>			
Statistics for Development	1 130 100	2 530 100	3 660 200
<b>TOTAL CHAPTER VIII</b>	<b>1 130 100</b>	<b>2 530 100</b>	<b>3 660 200</b>
<b>CHAPTER IX - OPERATIONS AND MANAGEMENT</b>			
<b>Decentralised Offices :</b>			
North Pacific Regional Office	571 200		571 200
Solomon Islands Country Office	251 600		251 600
<b>Subtotal</b>	<b>822 800</b>	<b>-</b>	<b>822 800</b>
<b>Corporate Services :</b>			
Director's Office		-	
Administration	1 580 700	14 700	1 595 400
Finance	1 239 900		1 239 900
Human Resources	1 132 800		1 132 800
<b>Subtotal</b>	<b>3 953 400</b>	<b>14 700</b>	<b>3 968 100</b>
<b>Programme Support Services :</b>			
Information Communication Technology	1 612 300		1 612 300
Library	392 500		392 500
Publications	1 187 800		1 187 800
Translation and Interpretation	1 473 600		1 473 600
<b>Subtotal</b>	<b>4 666 200</b>	<b>-</b>	<b>4 666 200</b>
<b>TOTAL CHAPTER IX</b>	<b>9 442 400</b>	<b>14 700</b>	<b>9 457 100</b>
<b>CHAPTER X – COMMON CHARGES</b>	<b>2 180 900</b>		<b>2 180 900</b>
<b>TOTAL EXPENDITURE</b>	<b>27 928 100</b>	<b>31 162 200</b>	<b>59 090 300</b>
<b>INCOME LESS EXPENDITURE</b>	<b>-</b>	<b>-</b>	<b>-</b>

**Letters of commendation to Director-General Dr Jimmie Rodgers from:**

- **The Chair of CRGA 43**
- **The Prime Minister of Fiji**
- **The Secretary of State of the United States**



Letter from the Chair of CRGA 43 to the Chair of the Eighth Conference

Suva  
Fiji  
17 November 2013

Dr Jimmie Rodgers  
Director-General  
Secretariat of the Pacific Community  
Noumea, New Caledonia

Dear Dr Rodgers

It is my honour to write to you at the request of the Committee of Representatives of Governments and Administrations (CRGA) to offer our most sincere and heartfelt thanks for your outstanding service as Director-General of SPC.

We are keenly aware that CRGA 43 has been the last CRGA meeting you will attend in this role. We cannot let our Captain leave the ship without acknowledging your visionary leadership, your guidance and your dedication to SPC and the region.

As a governing body we have asked much of you and you have never let us down. From the start, you have never been satisfied with the status quo if change means SPC can deliver better services, reach out further, make a difference to more people.

Among the many onerous tasks we set you was leadership of SPC's part in the reform of the Regional Institutional Framework. No-one fully understood what a difficult task this would be. You not only took on the challenges, you worked tirelessly with us and many others to overcome the obstacles, not without personal cost, to ensure the reform was completed successfully.

The independent external review of SPC was another test. It cannot be easy to allow outsiders to put the organisation you lead under the microscope. But you showed you were not afraid to be accountable. Nor were you afraid to make the hard decisions required to implement the recommendations of the review.

Now we are reaping the rewards of several years of change and growth under your watch, with SPC seen not only as the region's principal scientific and technical organisation, but also as one member said at CRGA – 'the people's organisation'.

As you have often reminded us, Jimmie, the Pacific is its people and they are at the heart of everything you have set out to achieve in your eight years at the helm of SPC. In their service, and in our service, you have acted with unquestioned integrity, intellect, commitment, compassion, and a



legendary capacity for hard work. We pay tribute to you for these qualities, which provide inspiration for us all.

In your final address to CRGA as Director-General, you said CRGA is a family. We agree. And because you are family, this is not goodbye. We know you will go on to serve your beloved region in other ways. Meanwhile, we say thank you from the bottom of our hearts and au revoir.

Yours sincerely

Ms Tessie Lambourne

Chairperson

43<sup>rd</sup> Meeting of the Committee of Representatives of Governments and Administrations

Suva, Fiji



PRIME MINISTER  
SUVA, FIJI

19<sup>th</sup> November, 2013

Dr Jimmie Rodgers  
Director General  
Secretariat of the Pacific Community  
Noumea  
**NEW CALEDONIA**

Dear Dr Rodgers

I write this Appreciation Letter in Fiji's capacity as both Host and Chair of the 8<sup>th</sup> Conference of the Pacific Community that was held in Suva on Monday 18<sup>th</sup> – Tuesday 19<sup>th</sup> 2013, and in due recognition of the sterling efforts that you have demonstrated as Director General over the past eight years of the Secretariat of the Pacific Community.

During your eight year term in office, you have instigated many transformational changes in both direction and structure of the Noumea-based organization and contributed immensely to its success story of being the most impactful CROP Agency in the Region in terms of both its inclusive coverage and its results based drive in partnership with the Pacific Communities.

We as Pacific Leaders, acknowledge with deep appreciation that you are now leaving the SPC as a very well-oiled machinery in delivery.

We acknowledge that through your sterling Leadership, Dr Rodgers, and on this eve of your departure, your SPC Executive Team implemented 37 of the 42 recommendations made by the Independent External Review (IER) team that undertook an extensive review of the organization in 2012.

This is an excellent record, leaving the organization in good hands for your successor, whilst positioning it in a more relevant preparedness to uptake the challenges of aligning the regional architecture to the post-2015 global agenda on the Sustainable Development Goals, and in developing the technical, professional, scientific, research, planning and management capability of Pacific Island people in a way that will enable them to make informed decisions about their future resilience and well-being.

2.

I wish you well in all your future endeavours.

Vinaka vakalevu.

Yours sincerely

A handwritten signature in black ink, appearing to read 'Bainimarama', with a horizontal line underneath.

J.V. Bainimarama  
**Prime Minister**

THE SECRETARY OF STATE  
WASHINGTON

The Honorable  
Dr. Jimmie Rodgers  
Director General  
Secretariat of the Pacific Community  
98848 Noumea  
New Caledonia

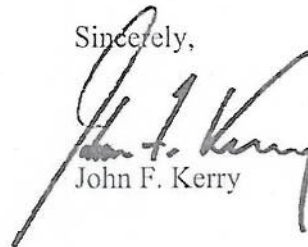
Dear Dr. Rodgers:

I congratulate you for your significant contributions to the Pacific region as you conclude an unprecedented four terms of service as director general of the Secretariat of the Pacific Community (SPC). Under your leadership, the SPC successfully integrated two previously independent regional structures – no small task for any organization – and has been actively engaged in a critical process to improve corporate management and governance following the recommendations of an independent external review.

As you know, the United States has worked in the SPC with our partners in the Pacific since 1947 and is proud to continue as a member today. Your eight-year tenure has left the organization stronger and better positioned to meet key regional challenges, including climate change, public health, food security, energy security, fisheries, environmental stewardship, disaster risk management, and economic development. The Pacific region has become stronger thanks to your vision both as the leader of the SPC and by your participation in the development of the Pacific Plan.

As a founding member of the SPC, the United States thanks you for your leadership and service. We look forward to working with your successor and continuing our engagement in this vital Pacific forum.

Sincerely,



John F. Kerry

**Letter from the Chair of CRGA 43 to the Chair of the Eighth Conference**

SPC file no.: SPC 10/45/1

15 November 2013

Ratu Inoke Kubuabola  
Minister of Foreign Affairs and International Cooperation of Fiji, and  
Chairperson of the 8<sup>th</sup> Conference of the Pacific Community  
Ministry of Foreign Affairs and International Cooperation  
Suva, Fiji

Dear Minister

It is my honour to present to you and to the Eighth Conference of the Pacific Community the recommendations agreed on by the Committee of Representatives of Governments and Administrations (CRGA) at its 43rd session last week.

On behalf of CRGA, I would like to congratulate you on assuming the chair of the Conference and convey to you our confidence that under your stewardship the meeting will enjoy great success.

It has been a privilege for me to chair CRGA 43 and on behalf of all members I wish to thank the Government of Fiji for providing such a wonderful venue for the meeting and for the support of meeting arrangements. We are grateful for the warm and generous hospitality that we have all enjoyed.

Below is a summary of the discussions of CRGA 43. I'm pleased to report that these discussions were both constructive and useful. The full recommendations of the meeting are attached to this letter (Attachment 1) for consideration by the Conference. The decisions of CRGA 42 are attached (Attachment 2) for noting by Conference.

**Summary of major outcomes of CRGA 43 for consideration by the  
8<sup>th</sup> Conference of the Pacific Community**

**Director-General's Report** – CRGA 43 accepted the Director-General's report for 2013, which provided an overview of SPC's work in 2013 and a forward-looking perspective on the organisation's role in supporting risk-resilient development in the region, which was the theme of CRGA this year. The meeting commended the work of the Secretariat in implementing the key decisions taken by CRGA 42 in 2012 and the almost complete implementation of the recommendations of the Independent External Review (IER) that were approved by a special session of CRGA in August 2012. In this regard, the Director-General noted that SPC's scope, and human, technical and financial resources have almost doubled during his eight years in office from 2006 to 2013. This expansion has been largely the result of external decisions, including the implementation of the Pacific Plan and the reform of the Regional Institutional Framework (RIF) – both complex processes that SPC had to engage with strategically to define and consolidate its place and role in the region's development agenda. In focusing on members' priorities, SPC has achieved many successes including 'moving services closer to people' through decentralising its offices; expanding partnerships with national, regional and international organisations; increasing its donor base and funding portfolio; and investing in enhancing governance within the organisation.

The commissioning of the 2012 IER of SPC and the implementation of its recommendations have strengthened the confidence of members and partners that SPC is a serious and accountable organisation,

focused on achieving results. Looking forward, the challenges for SPC and the region in coming years include the need to engage in the post-2015 development agenda and the formulation of the Sustainable Development Goals that will succeed the Millennium Development Goals; ensuring sustainable financing of SPC's work; further enhancing governance arrangements; addressing membership issues; and dealing with the Secretariat's human resources challenges. As well as looking to the future, CRGA looked back to its beginnings and agreed to place on record SPC's posthumous recognition of Mr William Forsyth, first Secretary General of the organisation, who, as a member of Australia's Department of External Affairs, proposed the 'South Seas Commission' in 1943 to facilitate regional cooperation in the post-war period – a vision that became the first example of regional cooperation in the Pacific and that lives on in the Pacific Community. CRGA recommends that a letter be written under the signature of the Conference Chairperson to the Australian Minister for Foreign Affairs commending Mr Forsyth, and asking that his family be informed of the recognition.

**SPC's Corporate Strategic Plan and Sustainable Financing of SPC** – SPC's new Corporate Strategic Plan for the period 2013–2015 highlights how it proposes to do business differently over the next three years, including by prioritising services to achieve greater impact and developing more customised relationships with members. There is a strong focus on accountability, on learning, and on achieving results, including improving monitoring and evaluation systems. The Plan also emphasises the unique needs of Small Island States. SPC will take advantage of its ability to take a cohesive approach to multi-sector challenges. In terms of sustainable financing to support the implementation of the Plan, SPC is exploring new approaches, including the application of full cost recovery options supplemented by targeted increases in income from country host grants and members' assessed contributions. Members have been very supportive of this approach with our founding members agreeing to consider more flexible funding arrangements and island members demonstrating their ownership of the organisation through an increase in their assessed contributions.

## **PROGRAMMES DIRECTORATE**

**Programmes Directorate Overview** – The Programmes Directorate was established in January 2013 based on a recommendation of the IER. The Directorate is headed by the Deputy Director-General, Programmes, who joined SPC in October 2013. Under the new structure SPC will seek to leverage its multi-sector capacity to contribute more effectively to achieving sustainable development. The Directorate will place emphasis on programme effectiveness and enhanced resource mobilisation, including through communication of needs, mobilising human resources, achieving recognition of SPC's work in the necessary forums, and building partnerships based on trust and results. It will also include a programme support unit with skills in project design and grant preparation and a climate change coordination support team. CRGA recommends to Conference that it acknowledges the Secretariat's efforts to date to strengthen monitoring and evaluation frameworks across SPC's programmes and encourage further strengthening of these systems, recognising that improved information on results is critical to achieving its plan to increase the level of programme funding.

The meeting heard presentations from the Directors of the seven technical Divisions that come under the Programmes Directorate (Applied Geoscience and Technology; Economic Development; Education, Training and Human Development; Fisheries, Aquaculture and Marine Ecosystems; Land Resources; Public Health; and Statistics for Development) outlining achievements and challenges in 2013 and programme plans and budgets for 2014. The detailed recommendations for each Division are included in Annex 1.

**Applied Geoscience and Technology (SOPAC)** – The Director of the Applied Geoscience and Technology Division (AGTD) took up his position in January 2013. Highlights of the Division's work for the year include: the work on integrating the separate regional frameworks for climate change and disaster risk management (DRM) into a single strategy for climate and disaster resilient development by 2015; building a number of emergency operations centres (for example, in Federated States of Micronesia and Solomon Islands); overseeing the construction of a sand and gravel barge for Kiribati; the completion of

water catchment studies for Samoa; and the rollout of the world's first template for a legal framework for deep sea minerals. CRGA recommends that Conference encourages the Division to continue to explore ways to increase land and resource-focused geoscience support for members.

**Economic Development Division (EDD)** – The Economic Development Division (EDD) of SPC delivers services to members in energy and transport, the drivers of economic development. The Energy Programme's services include: provision of technical, legal and policy advice on energy issues; implementation of the North-Rep project that has brought reliable renewable energy services to thousands of people in more remote areas of Marshall Islands and FSM; and provision of petroleum advisory services to PICTs, which has saved some members millions of dollars in 2013. The Transport Programme focuses on assisting countries to maintain compliance with international maritime obligations and building the capacity of Pacific Island Countries and Territories (PICTs) to meet international transport safety and security requirements, and enhance services. CRGA recommends that Conference endorses EDD's Strategic Plan, which was revised following the transfer of the ICT programme to the University of the South Pacific in January 2013, as recommended by the IER.

**Education, Training and Human Development Division (ETHDD)** – The Education, Training and Human Development Division (ETHDD) comprises the Secretariat of the Pacific Board for Educational Assessment (SPBEA), the Human Development Programme (HDP), the Regional Rights Resource Team (RRRT) and the Community Education Training Centre (CETC). CETC, which celebrated its 50th Jubilee in 2013, will close in December 2013 with its programmes being transfer to the University of the South Pacific (USP) in January 2014. Significant events for the Division during the year included: the review of SPBEA as recommended by the IER; the very successful 12th Triennial Conference of Pacific Women and the 5th Pacific Women's Ministerial Conference in October; and RRRT's support for the completion of draft bills addressing domestic violence/family violence for Kiribati, Solomon Islands and Tonga. CRGA recommends that Conference notes the recommendations of the SPBEA review and agrees to establish a joint working group of members and the Secretariat to further assess the optimum approach and resources required to take the recommendations forward. CRGA also asks that Conference places on record its heartfelt commendation of the work of CETC over the past 50 years in empowering women in the region and acknowledge the commitment by USP to ensure that the quality of the CETC programmes and their accessibility will be maintained and improved.

**Fisheries, Aquaculture and Marine Ecosystems Division (FAME)** – The Fisheries, Aquaculture and Marine Ecosystems Division (FAME) has developed a revised Strategic Plan to guide its work programme from 2013 to 2016 in consultation with Heads of Fisheries. Good progress has been made in implementing the 2013 work programme. Despite favourable review of FAME's work programme and a commitment by some development partners to move to more sustained funding, the Division will face challenges related to lack of funding for key work areas in 2014/2015. Given the importance of FAME's work, CRGA recommends that Conference note with concern the problems that the Division may face in delivering key services in 2014 and 2015, and urge the European Union and Regional Authorising Officer to consider timely support for a follow-up fisheries project under the EDF 11 regional programme.

**Land Resources Division (LRD)** – Based on the strategic framework endorsed by the 2012 Ministers of Agriculture and Forestry Meeting, and approved by CRGA 42, the Land Resources Division (LRD) has completed its new Strategic Plan for 2013–2017. The plan proposes a new structure for the Division to move from a thematic approach to a programmatic focus consistent with other SPC Divisions. Under this new structure, the Division will strengthen its focus on results and its capacity to support PICTs in the areas of policy, legislation and planning. CRGA recommends that Conference endorses LRD's new Strategic Plan.

**Public Health Division (PHD)** – The new Director took up his role in December 2012 with the first major undertaking being the development of a new public health strategy. The strategy focuses on rebuilding the core public health functions within SPC and supporting PICTs to build their capacity to provide these functions. It also supports the shift of grant management from PHD to an organisation-wide system as recommended by the IER. The new PHD Strategic Plan 2013–2022 was developed after wide

consultation with staff, PICT health leaders, international organisations and development partners, and in response to the recommendations from the IER. CRGA recommends that Conference endorses the Plan.

**Statistics for Development Division (SDD)** – In 2013, the Statistics for Development Division (SDD) continued to implement a substantial work programme encompassing census and household surveys and made significant achievements in producing sectoral statistics (economics, education and vital statistics). SDD has also made improvements in data dissemination and in updating and expanding statistical coverage of its national minimum development indicator (NMDI) database to include the French and US Pacific territories. A mid-term review of Phase 1 of the Ten Year Pacific Statistics Strategy confirmed that implementation is on track, and recommended some modifications to the 2013–2014 programme, which were endorsed by the 4th Regional Conference of Heads of Statistics and Planning in July 2013. CRGA recommends that Conference note this positive review of SDD’s work.

**Strategic Engagement, Policy and Planning Facility (SEPPF)** – SEPPF 2013 highlights and 2014 work programme. The new Director of the Strategic Engagement, Policy and Planning Facility (SEPPF) took up his role in February 2013. SEPPF’s role includes developing corporate strategy; leading and coordinating monitoring and evaluation; coordinating the development and implementation of SPC joint country strategies (JCSs) with members; and acting as a focal point for development partners and the agencies making up the Council of Regional Organisations in the Pacific (CROP). SEPPF also houses advisory and programme staff connected with multi-sector programmes such as climate change and youth and plays a key role in leading and facilitating many of the corporate changes in SPC. CRGA recommends that Conference support the formation of a Joint Country Strategy (JCS) Working Group, comprising CRGA members and SPC Divisions, to develop a proposal for the new JCS process, noting that Australia, Federated States of Micronesia, Fiji, Kiribati, New Caledonia and Marshall Islands expressed interest in participating in this working group, which is expected to begin work in early 2014.

**Managing for development results: monitoring, evaluation and learning** – There has been a steady strengthening of monitoring, evaluation and learning (MEL) processes across SPC in the past two years, led by SEPPF in collaboration with divisional management and staff. Key achievements include increasing the focus on results in divisional strategic plans, country reports, and project evaluations; further roll-out of the new web-based integrated reporting information system; and promotion of cross-divisional learning events. Focus areas for 2014 include addressing the low MEL capacity in some divisions, and further refining the reporting system to improve its functionality and thus SPC’s ability to report results to members and donors. SEPPF released two reports – **profiles for each of SPC’s 22 island members** featuring highlights of key results in a number of high priority areas for each island member, and a regional report focusing on 10 examples of major regional priorities SPC is delivering on that demonstrate the principles of ‘regional public goods’. However, CRGA recommends that Conference note that progress on monitoring, evaluation and learning has been constrained by lack of resources, and that increased core/programme funding is required to improve results-focused evaluation and reporting across the organisation.

## **OPERATIONS AND MANAGEMENT DIRECTORATE (OMD)**

**OMD overview** – The new Deputy Director-General, Operations and Management took up the post in October 2013. In a significant step, a new Director, Human Resources, was also appointed as recommended by the IER. From 1 January 2013, the Managers of the decentralised offices in Federated States of Micronesia and Solomon Islands began reporting to the DDG, Operations and Management, also in response to the IER’s findings. OMD is developing a new five year strategic plan which will be completed before the end of 2013 for implementation in January 2014. CRGA recommends that Conference notes the Directorate’s strategic objective to become an example of best practice within SPC as a whole and against the highest international standards, and that it aims to benchmark its services and performance against other international organisations.



**Human resources: recruitment and retention issues and priorities for action** – In 2013, there were two particularly positive advances in SPC's efforts to develop a more strategic HR function: the introduction of the online HR information system; and the establishment in January of a dedicated recruitment unit, which has greatly improved processes for recruiting new staff. However, SPC is becoming less competitive in attracting suitably experienced staff – even in comparison to other CROP agencies. The current process of CROP harmonisation of salaries benefits the smaller agencies but is not working for SPC in its present form and requires strengthening. In this regard, CRGA recommends that Conference agrees to the establishment of a CRGA working group to undertake (a) more in-depth assessment of the HR and remuneration challenges facing the Secretariat, (b) consider the revised salary banding structure proposed by the Secretariat to help address the serious problem it has in attracting and retaining high quality staff, and (c) consider the appropriate salary band for the position of SPC Director-General, based on the size and scope of the position relative to CEO positions in other CROP agencies following the reform of the RIF and expansion of SPC. Australia, FSM, France, Guam, Kiribati, New Caledonia, Marshall Islands and USA have expressed interest in participating in this working group.

**Annual market data review and fiscal year 2014 salary scales** – The 2013 annual market data review of the three reference markets used to benchmark the salaries of CROP agencies for positions advertised internationally (the median of the Australia and New Zealand public service sectors and the upper quartile of the Fiji all organisations market) shows that salaries for SPC positions advertised internationally are lagging behind market data recommendations markets by 17%–23%, while noting salary packages include some benefits such as housing and education allowances. Current salary packages are also behind those of other CROP agencies. With remuneration levels now significantly lower than the benchmark, and lower than those of other CROP agencies, SPC is experiencing increasing difficulty in recruiting and retaining staff. CRGA recommends that Conference considers and approves small increases of up to 2% in the salary scale that applies in SPC various offices, noting that the increases are funded within existing budgetary resources.

**Status of assessed contributions and host grants** – As of 10 October 2013, 16 of SPC's 26 members had fully settled their assessed contributions to SPC and all except three made payments during the financial year. The total amount outstanding is 2,331,406 CFP units. Approximately 1.7 million CFP units (73%) of this amount are owed by just four countries. A large majority of members have made significant efforts to pay their contributions in full or in part in 2013. CRGA recommends that Conference acknowledges the significant efforts made by many members to pay their assessed contributions.

**2012 annual accounts, audit report and auditor's management letter** – The 2012 financial records for both the Secretariat and the Staff Provident Fund received unqualified audit opinions from the auditors, PricewaterhouseCoopers, New Caledonia. This is the 17th successive year that SPC has received unqualified audit reports. In their management letter, the auditors noted that in all the areas tested, internal control was effective but they made recommendations to further strengthen business controls and improve operating efficiency. All recommendations in the auditor's management letter were accepted by the Secretariat and action has been, or is being implemented.

**Revision of 2013 budget** – The revised budget is a balanced budget that totals 108,497,800 CFP units, (core 25,840,600 CFP units; project funding 82,657,200 CFP units) in income and in expenditure. Overall, the 2013 revised budget reflected an increase of 13,776,800 CFP units, or 14.5%, compared to the original budget of 94,721,000 CFP units.

**Financial Year 2014 budget** – The budget presented is balanced with anticipated income matching expenditure. The total of 95,357,400 CFP units comprises a core budget of 26,762,600 CFP units and project funding of 68,594,800 CFP units. The core budget makes up 28% of the total budget and project funding makes up the remaining 72%. About 43% of the 2014 core budget is directly allocated to technical Divisions. As per SPC's longstanding policy, only assured funding is included in the budget and pipeline projects are not included. In addition, there is progress towards achieving the reserves target set by CRGA to be met by 2015. At the end of FY 2014, the total of all reserves is expected to be approximately 4.45 million CFP units; another 1.25 million CFP units will be required to reach the targets

set for the end of FY 2015. The Secretariat also proposed to take a proactive approach to building the reserve through the budget process with the aim of further increasing it to a level sufficient to cover between 60–90 days of operation, as is the practice in similar organisations. CRGA recommends that Conference welcomes SPC’s commitment to provide in-year reporting and a forward looking budget commencing in 2014 that reflects shifting priorities and the recommendations of the IER.

**Audit and Risk Committee (ARC) report** – CRGA welcomed the report from the Audit and Risk Committee, which has met four times since its establishment, including three meetings in 2013. The Committee has approved a work programme for the internal audit function for the period 2013–2015. The three-year plan will examine the procedures used for procurement, travel, engagement of consultants, among others, to ensure they give adequate protection to the organisation. A professional audit firm, Ernst and Young, will undertake the work. The Committee reviewed the external auditors’ opinion on SPC’s annual accounts for 2012 and noted with satisfaction the unqualified audit opinion for the 17th successive year. The auditors’ management letter commended the strong compliance culture at SPC and the ARC is satisfied that the issues raised are being addressed.

## **SUBSTANTIVE POLICY AGENDA**

**Updating the Canberra Agreement to confirm the legal effect of previous Conference decisions and introduce provisions for other membership categories** – CRGA 42 established a Working Group on Membership to explore options for expanding SPC membership. During its preliminary work on this issue, the Secretariat established that further action was necessary to confirm the legal effect of the 1997 Conference resolution to change SPC’s name from the South Pacific Commission to the Pacific Community, and the 1983 Conference resolution expanding and granting full and equal membership to all current members of SPC. The Membership Working Group advised CRGA that Conference could confirm the full legal effect of these decisions by adopting formal resolutions to that end, on the basis of sufficient state practice under international law and Articles II§3 and XVIII§60 of the Pacific Community’s founding treaty, the Canberra Agreement. CRGA recommends that Conference consider approve the draft resolutions to that end.

**SPC membership policy** – The Secretariat and the CRGA Working Group on Membership explored issues relating to full membership of the Pacific Community and concluded that the existing provisions of the Canberra Agreement were sufficiently clear on this point. CRGA agreed that, on the basis of article II§3 of the Canberra Agreement, Conference can alter, by resolution, the territorial scope of the Pacific Community, so as to accommodate requests for full membership on a case-by-case basis. CRGA agreed that this approach be adopted to accommodate a probable request for full membership by Timor Leste. On the issue of expanding membership categories, CRGA agreed that creation of new membership categories such as associate member and observer would provide an excellent means of enhancing engagement and outreach and contribute to furthering the work of SPC on behalf of members. CRGA recommends that Conference agrees that further analysis on this work would be carried forward by the expanded Working Group on Membership and the Secretariat over the course of the coming year with the results and its recommendations to be presented to CRGA 44 in 2014.

**SPC governance arrangements** – The IER considered that the value of the role of CRGA and Conference in SPC’s governance could be strengthened, especially following the extended period of expansion and reform of SPC. The same view was expressed by some members during consultations on the SPC Corporate Strategic Plan for 2013–2015 and this strengthening is one of the plan’s objectives. The importance of delineating CRGA’s roles of ‘governance of the organisation’ and ‘governance of SPC’s technical work programme’ was noted. CRGA recommends that Conference considers and approves a review to examine SPC’s governance processes noting that the cost for the review will be met by existing resources.

**Review of assessed contributions and host grants** – The triennial review of assessed contributions and host grants considered both absolute and relative levels of contributions and took into account changes in island members’ economic capacities since the last review in 2006. The Secretariat also commissioned an independent study, as approved by CRGA 42, to estimate the economic benefits of SPC’s presence to its host countries. The Secretariat undertook to make this report available to all members. In relation to host grants, it was suggested that such grants be introduced for FSM and Solomon Islands. With regard to the level of assessed contributions by founding and island members for 2014, no major changes were suggested except for additional contributions by New Caledonia and PNG, which have by far the largest economies in the region. Members were very positive in their responses to the suggested increases. Papua New Guinea advised the meeting it has accepted the proposed increase and will include it in its 2014 contributions. New Caledonia advised the meeting it was supportive of the proposed increase and further advised it would come from within New Caledonia’s current overall funding assistance to SPC. Solomon Islands informed the meeting it agreed with the rationale behind the proposed host country grant allocation and will also try to have it starting in 2014. CRGA welcomed the announcement by France to increase its contribution to reach 2,500,000 CFP unit target in 2014. CRGA also welcomed the confirmation by Australia that SPC should go ahead with the indicative funding figure of AUD 16 million per year in core funding support in addition to ongoing projects.

**Risk-resilient development: an integrated approach to managing climate, disaster and human security risks** – PICTs are vulnerable to natural hazards related to climate, geology (e.g. earthquakes, tsunami), invasive species and disease. SPC is working with numerous partners to support PICTs in addressing these hazards, which pose high risks to people’s security – for their water and food security, environment, health, economic infrastructure and cultural and social institutions. Current work on integrating the separate regional frameworks for climate change and disaster risk management (DRM) into a single strategy for climate and disaster resilient development by 2015 will reduce the potential for duplication of work and the burden on national technical staff, ensure policy consistency and coherence, and be more cost effective. Many PICTs are already integrating these two areas of work in joint national action plans for DRM and climate change through multi-sector approaches. CRGA recommends that Conference endorses the Secretariat’s efforts to integrate climate change and disaster risk management through the ‘roadmap’ process for the development of the Strategy for Disaster and Climate Resilient Development in the Pacific by 2015.

**Enhancing SPC’s engagement in the international and regional development agenda** – PICTs have an important opportunity to engage, contribute to and influence the post-2015 development agenda. Samoa will host the Third International Conference on the Sustainable Development of Small Island Developing States (SIDS) in September 2014 and France has proposed to host the 21st Conference of the Parties to the UN Framework Convention on Climate Change in 2015. At the global level, the process of developing Sustainable Development Goals (SDG) to succeed the Millennium Development Goals (MDGs) is underway and the region is engaging in this process. CRGA highlighted the importance of a coordinated approach that is inclusive and focused on clear priorities for the region, including through developing and launching concrete partnerships, to ensure lasting and meaningful outcomes that address priorities critical to the Pacific Islands region, such as their ocean resources. SPC is committed to supporting all its island members to position themselves to engage strategically in the post-2015 development agenda, through its analytical work, technical assistance and development of standards and norms relevant to the Pacific region that could be considered as indicators for some of the SDGs.

**Findings of the Pacific Plan review and possible implications for SPC** – The recently released Pacific Plan review report proposes ‘a new framework for Pacific integration’. Its findings are yet to be discussed or adopted by Pacific leaders. CRGA noted that sovereignty of governing bodies of other organisations, including SPC, is explicitly recognised, and that some aspects of the proposed framework may have implications for SPC’s work.

**Recruitment of the Director-General** – *The recommendation of this closed session of CRGA 43 will be presented to the Chair of the 8th Conference in a separate letter from the Chair of CRGA 43.*

**CRGA 44 – Venue, Chairperson and Vice-Chairperson** – CRGA agreed to recommend to the Eighth Conference of the Pacific Community that it notes that the venue for the meeting of CRGA 44 in 2014 will be Noumea, New Caledonia, and that members will be advised in due time of the meeting dates. CRGA further recommends to Conference that it notes that the Chairperson for CRGA 44 will be provided by Marshall Islands and the Vice-Chairperson by Nauru.

CRGA 43 reached agreement on a number of other recommendations. As noted earlier these are included in full in Attachment 1. In accordance with established practice, the decisions of CRGA 42 held in Noumea in 2012 are also attached (Attachment 2) for noting by the Conference, given that in the years the Conference does not meet, CRGA is empowered by the Conference to make decisions.

I commend these decisions and recommendations to the Conference. In this regard, I wish to thank the Secretariat and CRGA 43 for their excellent support and contribution to the successful completion of the business of the meeting, and for their ongoing commitment and dedication to the work of the Pacific Community.

I end by wishing you a successful and fruitful meeting,

Yours sincerely

Ms Tessie Lambourne  
Secretary of Foreign Affairs, Government of Kiribati, and  
Chairperson  
43rd Meeting of the Committee of Representatives of Governments and Administrations  
Suva, Fiji

**STATEMENTS FROM OBSERVERS AT CRGA 43****Statement by FAO**

Madame Chair, Mr Director-General, Distinguished delegates, Ladies and Gentlemen,

FAO and SPC have a long history of working together on agriculture and food security. This association has covered many technical areas of work and SPC is seen by FAO as a key partner for FAO to translate global public goods to the context of the Pacific. We look forward to further strengthening this working relationship and we wish to join the voices of others in thanking Dr Jimmie Rogers for his service to SPC and to his personal interest in and support of the work of FAO and SPC.

On behalf of the Director-General of FAO it is my pleasure to congratulate Mr Tukuitonga on his election to the post of Director-General of SPC. FAO looks forward to the opportunity to meet with you at an appropriate time in the future and to learn of your views on how FAO and SPC can deliver more to our member countries.

Ladies and gentlemen, may I take a moment to reflect on some of the issues of concern to FAO in the Pacific.

Inclusive economic growth in the Pacific is intimately linked to agriculture and in turn to natural resources. Not only is food one of the most basic human needs; food and agriculture is also of pivotal importance to the economies of the Pacific. When we speak of food and agriculture we are including fishing and forest activities which are important to food security and to economic growth.

We note that the two biggest changes in food and agriculture in the last decade or more has been the linking of food to health and the recognition that our food systems have a large ecological footprint.

The first of these changes recognises that non-communicable diseases are a major issue in the Pacific and that one of the common risk factors is poor diets. The dietary transition towards high energy, low nutrient diets and dependence on food imports is a major threat arising from the linkage of Pacific countries to modern international food chains.

The second considers the pressing need to continue to strengthen national capacities to sustainably development our agriculture, fishery and forestry resources, through the encouragement of greater investment in, and improved efficiency of, production. Ladies and gentlemen, we see three very important dimensions of food policy that FAO and SPC can work together to better serve our member countries and territories; these are:

Firstly, the development of multi-sector approaches to food policy: food policy now covers multiple sectors of the economy; and therefore food security is no longer adequately addressed by a single organ of government.

Secondly, the development of regional approaches to food policy: governance of the food sector takes place at the international level through the likes of codex alimentarius; at the national level through government regulation; and, at the sub-national level through commercial arrangements within food chains, such as private food standards. There is a strong opportunity for greater regional collaboration across all three spheres of governance.

Thirdly, the development of private-sector led approaches to food policy: private sector governance of food chains is now a hard reality and the fundamental role of private enterprises in improving regional food security cannot be ignored; they must be a part of the discussion of food policy.

FAO looks forward to the opportunity to serve our member countries on these and other issues and we remain committed to the idea that this should occur in partnership with SPC.

Thank you, Madame Chair.

### **Statement by Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ)**

Madame Chair, Director General, Excellencies, Ladies and Gentlemen, good afternoon.

On behalf of the German Government, of GIZ and of the entire SPC/GIZ team I want to join other speakers and express our appreciation and thanks to the outgoing Director General of SPC, Dr. Jimmie Rogers.

As a hybrid between being one of DG's managers, and of representing a development partner, I had the privilege to witness first hand Dr. Rodgers' excellent leadership, hard work, foresight and vision.

Thank you, Jimmie!

Madame Chair, climate change will pose a serious challenge to Pacific Islanders and their economies. For example, the Intergovernmental Panel on Climate Change (IPCC) indicated in its 5th assessment report, recently released, that sea level rise will happen faster than earlier anticipated.

Pacific Island countries will have to prepare themselves for the impacts of climate change.

The regional SPC- GIZ programme on climate change adaptation is assisting 12 Pacific Island countries in their efforts to cope with this new development challenge.

Thanks to the guidance and foresight of Dr. Rodgers the different climate change adaptation programmes under SPC funded by the Australian, American and German Governments and the EU are closely cooperating, complementing each other, and in some countries even working under programmatic approaches, as we have heard this afternoon.

Dr. Rodgers was also the motor behind bringing the different CROP agencies closer together to deal with climate change- the CROP Agencies WACC- Working Arm on Climate Change- is one step towards a one-CROP.

Dr. Rodger's guidance on climate change has been put into action by SPC's outgoing climate change coordinator Mr. Brian Dawson, whom I want to thank for his excellent work and collegiality.

Madame Chair, Excellencies, Ladies and Gentlemen, GIZ will in close partnership with SPC, other CROP Agencies and development partners continue to support your countries in your efforts to cope with climate change.

Vinaka

Dr. Wulf Killmann

### **Statement by United Nations Development Programme**

Your Excellencies, Distinguished Delegates, Ladies and Gentlemen, thank you for the opportunity to observe the 43rd Meeting of the Committee of Representatives of Governments and Administrations (CRGA), and to intervene briefly this afternoon.

The Secretariat of the Pacific Community is a key partner for the United Nations in the Pacific region. The two organizations have worked together on a wide range of sectors to improve the lives of all Pacific Islanders, and I look forward to continuing to collaborate closely in the future.

Our work together has included areas as diverse as MDG achievement, HIV and health, gender equality, sustainable land management, disaster risk management, and human rights, among others.

The UN partnership with SPC was particularly effective in organizing the Pacific-UN conference on the global economic crisis and its social impacts in the Pacific three years ago, effectively drawing attention to the unique challenges facing Pacific Small Island Developing States.

Global attention will once again be focused on the challenges facing Small Island Developing States next year, with the third UN Conference on Small Island Developing States taking place in Samoa in September. It will focus the world's attention on a group of countries that remain a special case for sustainable development in view of their unique and particular vulnerabilities.

I would like to take this opportunity to encourage SPC to continue to work closely with UN agencies to highlight development challenges and priorities of the region through the SIDs conference.

This is also very timely as we continue to work towards a Post-2015 development agenda. We need to work closely to ensure that the development priorities of and the unique challenges faced by Pacific Island Countries feature strongly in the Post-2015 agenda.

I look forward to continuing collaboration with SPC, and thank you for your time and attention.

### **Statement by United Nations Office for Disaster Risk Reduction**

The United Nations Office for Disaster Risk Reduction extends its congratulations to the Secretariat of the Pacific Community and its member countries for the excellent and productive discussions over the past week. We also extend our sincere thanks to the Government of Fiji for allowing the meeting to be held in the beautiful facilities at the Vale Ni Bose Complex.

We particularly welcome the theme of this year's meeting of enhancing sustainable development.

We echo the earlier messages within the meeting that called upon disaster risk reduction and climate change adaptation to be incorporated into our development thinking so that we can have sustainable growth. While climate change poses a significant threat to the future development of Pacific Island Countries and Territories (PICTs), it is equally important that we take an all-hazards approach to development. Whether slow-onset such as sea-levels rising or quick-onset such as a cyclone, both pose a significant threat to our communities.

The recent devastation caused by Super Typhoon Haiyan in Palau, Vietnam and the Philippines is a painful reminder of how vulnerable we all are to the planet's natural forces at times. Where all the good work that is done to develop our communities can be pushed back or wiped away in a sudden moment. The Philippine's economy has been growing at a very strong rate around 6% per year, yet the initial damage estimates reveal that the Typhoon will so far cost over US\$14 Billion, which is over 3% of the country's GDP – half its growth.

Not only is the Pacific community making a valuable contribution to the Post-2015 development goals discussion but it needs to be congratulated for its leadership in integrating disaster risk reduction and climate change. Such leadership is displayed not just at the country level but also in the new Strategy for Disaster and Climate Resilient Development for the Pacific being developed in the region. This experience will also feed in to the Post-2015 Hyogo Framework for Action on disaster risk reduction being developed now. 2015 will intend be a land-mark year.

We congratulate and encourage the good work being done in the region to ensure that future generations in the Pacific will benefit from our development investments today. History shows us that a key ingredient to ensure this sustainable development is to adopt an all-hazards approach as part of our development planning.

## **Statement by University of the South Pacific**

On behalf of the University of the South Pacific, I extend our strong acknowledgement on the progress made by SPC in various areas of its work.

The progress and maturity of an institution of SPC's competence indicates its strong relevance and also support that the Pacific countries continue to provide toward sustainable growth in the region.

The growth of regional organisations is actually a growth of a region.

There have been many collaborative initiatives that USP has been working on with SPC over the years and there has been quite a good amount of progress made under the collaborative efforts.

The University has an overall Memorandum of Understanding (MOU) with SPC which exists since October 2011. Through this MOU, we have undertaken joint activities in the area of ICT, Education, Climate Change and Leadership and Human Rights, to name a few.

### *ICT*

After USP took over the lead role as Chair of the CROP ICT Working Group which spearheads the Framework for Action on ICT for Development in the Pacific, recognizing that ICT plays a critical role in the efforts of countries to meet the Millennium Development Goals. USP and SPC continue to work collaboratively in assisting member countries in researching and negotiating better ICT infrastructure for the Pacific region. USP and SPC will also lead the review of the Framework for Action on ICT for Development in the Pacific which is an expansion of the Pacific Digital Strategy.

### *Education*

This has seen the two organisations working and producing a TVET Regional framework and the transfer of the CETC programme to the USP. Work in these two areas has had successful outcomes addressing some of the needs of the region. There has been work on gender youth and other aspects of education.

We had the formal transfer of the CETC community courses to USP which took place just last Monday. This was done under a formal letter of agreement between the parties.

### *Climate Change – Cooperation between PACE-SD, USP and SPC*

The University of the South Pacific's Pacific Centre for Environment and Sustainable Development (PaCE-SD) and the Secretariat of the Pacific Community run "sister projects" under the European Union Global Climate Change Alliance. These projects work in close collaboration, since implementing on the ground climate change adaptation initiatives is a function of both projects.

The SPC Pacific Small Island States Project covers 9 small island developing states and Supports the EU-GCCA through Capacity Building, Community Engagement and Applied Research.

PaCE-SD also works regularly with the SOPAC division of SPC on disaster risk management. SOPAC staff members deliver lectures during the mid-semester workshop organised for the students enrolled in the USP course on Disaster Risk Management (EV424).

PaCE-SD and SPC also collaborate on research student supervision.

We also work collaboratively on energy, gender and other areas.

We have also taken note of the request by one of our countries Kiribati on "Deep sea bed mining programme" and we will work on looking at how we can take care of the interest generated in this specific field.



On behalf of the University, I take this opportunity to thank Dr Rodgers for his sterling work for our countries and in particular in ensuring that both our institutions work together to achieve outcomes that are valuable to the region.

We have enjoyed working with Dr Rodgers guided by his strong leadership, passion for and commitment to the region. We wish him well.