

**DECISIONS OF THE FORTY-EIGHTH MEETING OF THE  
COMMITTEE OF REPRESENTATIVES OF GOVERNMENTS AND ADMINISTRATIONS**  
(26–28 June 2018, Noumea, New Caledonia)

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**AGENDA ITEM No. 1: OPENING**

1. The 48th meeting of the Committee of Representatives of Governments and Administrations (CRGA 48) opened on 27 June 2018, at the headquarters of the Pacific Community (SPC) in Noumea, New Caledonia. The meeting was chaired by Niue, with Palau as Vice-Chair, and was attended by representatives of the following SPC members – Australia, Cook Islands, Federated States of Micronesia (FSM), Fiji, France, French Polynesia, Kiribati, Marshall Islands, Nauru, New Caledonia, New Zealand, Niue, Palau, Papua New Guinea (PNG), Pitcairn Islands, Samoa, Solomon Islands, Tokelau, Tonga, Tuvalu, United States of America and Vanuatu – and by observers and partners, including Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ), the European Union (EU), International Atomic Energy Agency (IAEA), Melanesian Spearhead Group (MSG), the International Organisation of La Francophonie (OIF), Pacific Aviation Safety Office (PASO), Pacific Islands Forum Secretariat (PIFS), Secretariat of the Pacific Regional Environment Programme (SPREP), South Pacific Tourism Office (SPTO), and University of the South Pacific (USP).

**AGENDA ITEM No. 2: DIRECTOR-GENERAL'S REPORT**

2. The Director-General (D-G) placed the D-G's report in the context of reflection on the D-G coming towards end of term, and the ongoing challenges around SPC's financial sustainability. Delivering relevant and efficient services to members remains SPC's priority. The concept of universal availability is increasingly difficult to sustain, which makes it important for SPC to look at where it can most efficiently provide support to members. The D-G acknowledged members' requests that the Secretariat clarify areas for de-prioritisation as part of the ongoing prioritisation process. The D-G observed that prioritisation of SPC's work is only part of the review process around appropriate delivery of services to members. The D-G placed the ongoing prioritisation process in the context of changing development contexts, and the fact that SPC's configuration had remained largely unchanged for many years. The D-G affirmed the ongoing importance of SPC's engagement with agencies of the Council of Regional Organisations in the Pacific (CROP). Divisional and organisational structure is under ongoing review, under a change and transformation agenda, and a proposal to analyse the costs and benefits of any potential decentralisation was put forward. The D-G summarised highlights across divisions and programmes, and affirmed that the Secretariat aims to make integrated programming and cross-divisional work the norm across SPC. The CRGA Subcommittee on Strategic Plan Implementation (Subcommittee) has been working hard in the areas under its mandate, and provides a very important support role to the Secretariat. The Pacific Community Results Report is a concise report on SPC's achievements, and the Subcommittee has indicated its overall support for the latest report produced by the Secretariat, as well as for the abbreviated highlights format. The Pacific Community Strategic Plan 2016–2020 is ambitious, and financial and resource restraints have constrained some achievements. Engagement with members remains critical to SPC's purpose, and

SPC's presence and engagement with members has been affected by those constraints. Members' arrears remains an issue for SPC, and has substantially impacted SPC's financial position. The Secretariat has implemented the policy on members' arrears that was approved by members in 2017, and the D-G brought to members' attention that this has been disruptive, and he shared examples with members. Country Programming remains a priority for the Secretariat – the former joint country strategies have been replaced, as agreed with members, and alternative models have been tested and will be discussed further with members.

3. CRGA:

- i. noted the progress being made in the SPC change and transformation agenda;
- ii. noted the continuing weak financial situation of SPC;
- iii. approved the exploration of further decentralisation of selected SPC teams, including analysis of the costs and benefits of various options for CRGA consideration, and consultation with members over decentralisation proposals;
- iv. directed the Secretariat to develop country programmes with each Pacific Island country and territory (PICT) member, through a cost-effective, consultative approach;
- v. recognising the outcomes from the Fourth Ministers for Culture Meeting in Nadi, Fiji, in May 2018, directed the Secretariat to add culture to priority 8, alongside human rights, gender equality and youth.

**AGENDA ITEM NO. 3: INNOVATIVE PARTNERSHIPS**

**AGENDA ITEM NO. 3A: PACIFIC COMMUNITY CENTRE FOR OCEAN SCIENCE (PCCOS)**

4. The Secretariat updated CRGA on its activities to develop the Pacific Community Centre for Ocean Science (PCCOS), following the approval by the Tenth Conference of the Pacific Community in 2017 for the establishment of the Pacific Community Centre for Ocean Science, to be hosted by SPC. The first phase of PCCOS is the establishment of a virtual centre that brings together all of SPC's internal scientific and technical expertise in ocean science. PCCOS's scope includes partnerships with CROP agencies, international organisations engaged in ocean science and key ocean research institutions. SPC's 'One SPC' data IT project team is working on a PCCOS e-portal project, to develop the PCCOS knowledge portal as an important thematic area within the data and knowledge hub that is under development – the Pacific Data Hub. Mobilisation of resources for PCCOS as part of a larger, integrated SPC project is being explored with potential donor partners. Initial steps towards establishing PCCOS partnership agreements have been discussed with CROP agencies and key international ocean research institutions, including the French Institut de recherche pour le développement (IRD). A consultant has been engaged to develop a ten-year PCCOS strategy, with guidance from the PCCOS Project Board. The process will include consultation with SPC members on their needs for ocean information and science and their potential contribution. A sub-regional needs analysis will be undertaken, and the needs assessment will be expanded if additional funding is identified.

5. CRGA:

- i. noted the progress made by the Secretariat in establishing the Pacific Community Centre for Ocean Science (PCCOS);
- ii. requested that the Secretariat provide an update to CRGA 49 on further progress made in establishing PCCOS.

**AGENDA ITEM NO. 3B: PACIFIC HUB FOR LEARNING AND INNOVATION**

6. The Secretariat presented an update to CRGA on the Secretariat's exploration of the feasibility of developing a multi-stakeholder Pacific Hub for Learning and Innovation, as directed by the Tenth Conference of the Pacific Community in 2017. The Pacific Learning and Innovation Hub (Hub) was envisaged as a potential collaborative platform, designed by Pacific Island countries and territories, CROP agencies and other stakeholders, including the private sector, to advance novel ideas and solutions to Pacific development challenges. The Secretariat updated CRGA on its research into the need for innovation and documentation, and sharing of learning in the Pacific, the level of CROP interest in a regional Hub concept, and the innovation capability in the Secretariat to support the Hub. The Secretariat requested member input in relation to whether the Secretariat should continue exploring alternative models of partnership and opportunities to support innovation in the region.

7. CRGA:

- i. noted the early research and assessment work conducted by the Secretariat on the need for a Pacific Hub for Learning and Innovation (Hub), and innovation capabilities within the Secretariat to meet that need;
- ii. noted the CROP Deputies' discussion of the Hub and their wish to further consider the utility of a regional platform against their agencies' individual plans and priorities for learning and innovation;
- iii. requested the Secretariat to continue to explore opportunities for fostering innovation within SPC.

**AGENDA ITEM NO. 4: STANDING AGENDA ITEMS**

**AGENDA ITEM NO. 4.1A: REPORT FROM THE PACIFIC BOARD FOR EDUCATIONAL QUALITY (PBEQ) –  
A CRGA SUB-COMMITTEE – THE PBEQ REPORT TO CRGA**

8. CRGA received the outcomes of the third (3rd) annual meeting of the Pacific Board for Educational Quality (PBEQ) subcommittee (PBEQ Subcommittee), as agreed by the members of the PBEQ Subcommittee on 23 March 2018. The Secretariat presented the key decisions from the board meeting, including direction from the PBEQ Subcommittee that: SPC's Educational Quality and Assessment Programme (EQAP) will further investigate achievement levels and develop actions to improve capacity, resources and confidence in the qualification across participating countries; EQAP will do further work to identify the mechanics of mutual recognition and provide further information on how mutual recognition could work in the Pacific region, taking into consideration the implications

and obligations of the Tokyo Convention and PACER Plus; and EQAP will coordinate the data collection for the UNESCO Institute for Statistics (UIS) second Catalogue of Learning Assessments and support countries in verifying and updating data already collected in the first Catalogue of Learning Assessments. A terms of reference for EQAP was developed and endorsed by the PBEQ at its March 2016 meeting, and was endorsed by CRGA out of session in late 2017.

9. CRGA noted the report of the PBEQ Subcommittee.

**AGENDA ITEM NO. 4.1B: UPDATE ON YOUTH HIGH-LEVEL DIALOGUE OUTCOMES –  
PACIFIC YOUTH DEVELOPMENT FRAMEWORK**

10. The Secretariat presented a summary of SPC's contribution to the implementation of the Pacific Youth Development Framework (PYDF) 2014–2023, which was identified as a standing CRGA agenda item at CRGA 45. Priority areas of work are: integrated programming; youth indicators; youth employment; youth engagement; and youth policy. CRGA affirmed support for the Secretariat's work on youth issues in the Pacific. The Secretariat identified the lack of resources, regionally, committed to support for youth in the Pacific, and noted the need for further investment in youth in the Pacific.

11. CRGA:

- i. noted the progress of members in increasing their focus on the youth sector, and related capacity and investment;
- ii. considered the readiness of members and development partners to promote opportunities for youth, in particular by addressing youth unemployment;
- iii. endorsed the focus on strengthening national systems for youth statistics, including increasing SPC's capacity to monitor the status of youth through data and analysis;
- iv. recognised the need for additional dedicated resources from all stakeholders to support efforts to address youth priorities.

**AGENDA ITEM NO. 5: STRATEGIC PLAN MONITORING AND RESULTS REPORTING FOR  
THE PACIFIC COMMUNITY –  
REPORT FROM THE CRGA SUBCOMMITTEE ON STRATEGIC PLAN IMPLEMENTATION**

12. The Chair of the CRGA Subcommittee on Strategic Plan Implementation (the Subcommittee) thanked outgoing members of the Subcommittee, and welcomed incoming members. The Chair of the Subcommittee updated CRGA on the Subcommittee's meeting on 29 and 30 May 2018, at which the Subcommittee considered the following matters: the draft Pacific Community Results Report 2017 (Results Report) and self-assessment of progress; the Pacific Community Results Report 2017 – Results Highlights; SPC prioritisation; the mid-term review (Review) of the Pacific Community Strategic Plan 2016–2020 (Strategic Plan) and partnership survey; Country results summaries; and SPC's budget for the financial year ending 31 December 2019. The Secretariat has provided a new set of reports this year – Country Results Summaries – to report on activities in member states, and the Subcommittee assessed the report formats. Members were supportive of the comprehensive Results Report produced by the Secretariat. The Subcommittee asked the Secretariat to provide a deeper explanation about how it conducts the self-assessment of progress in the Results Report.

13. CRGA:

- i. noted the immediate, mid-term and long-term recommendations made by the Subcommittee, to assist CRGA in its annual consideration of the Secretariat's progress in the implementation of the Pacific Community Strategic Plan 2016–2020;
- ii. endorsed the Pacific Community Results Report 2017, noting that the Secretariat has incorporated the improvements suggested by the Subcommittee;
- iii. directed the Secretariat to continue pursuing prioritisation as part of SPC's ongoing business model and provide updates to the CRGA Subcommittee as needed;
- iv. noted the Subcommittee's comments to the Secretariat regarding the mid-term review of the Pacific Community Strategic Plan and partnership survey; country results summaries for 2017; and SPC's budget for the financial year ending 31 December 2019.

**AGENDA ITEM NO. 6: FRAMEWORK FOR PACIFIC REGIONALISM (FPR)**

**AGENDA ITEM NO. 6.1: CROP COHESION AND COORDINATION,  
INCLUDING REGIONAL GOVERNANCE AND FINANCE**

14. The Director-General affirmed that the Framework for Pacific Regionalism remains an important policy instrument for all CROP agencies – it is a fundamental blueprint and roadmap that all CROP agencies refer to. CROP agencies are making progress in achieving the goals of the FPR, but there remains work to do in the areas of CROP cohesion and coordination, and on regional governance and financing. CROP executives met in April 2018, and committed to the following actions: holding an annual meeting of CROP heads and Governing Council chairs, to progress a CROP strategic work programme; PIFS representation at annual CROP Governing Council meetings to strengthen understandings of the Framework for Pacific Regionalism and regional priorities; establishing a CROP Deputies Group, to support the implementation of regional priorities as directed by CROP executives; and developing a CROP communications strategy. A review of the CROP charter was undertaken and endorsed by CROP heads, who renewed their mutual commitment, as heads of agencies, to do better and provide consistent and coherent advice. The D-G provided an update to CRGA on current initiatives to strengthen CROP cohesion and coordination, in response to the 2017 Analysis of Regional Governance and Financing and subsequent 2017 Forum Leaders' decisions for the Leaders' agenda to be embedded across CROP and its member agencies. The CROP deputy-level meeting deals with CROP issues in more detail than can be achieved at the CROP heads level, and operationalises decisions of CROP heads. The Pacific Islands Forum Secretariat updated CRGA on the governance and financing review that will be considered by CROP heads later in 2018.

15. CRGA:

- i. noted the update on current initiatives to strengthen CROP cohesion and coordination;
- ii. noted the call from Pacific Leaders to embed the Forum agenda across CROP and its member agencies, and directed the Secretariat to continue to give priority consideration to the Pacific

Leaders' decisions in developing its work programme, and to work proactively to support CROP cohesion and coordination in pursuit of effective regionalism;

- iii. requested that the Secretariat provide out-of-session analysis and updates on the Pacific Leaders' agenda and its impact on the work programme of SPC;
- iv. commended the Secretariat for its engagement with the CROP mechanism and urged it to continue to further enhance these processes.

#### **AGENDA ITEM NO. 6.2: SOFT REVIEW OF FPR AND IMPLEMENTATION OF KEY PRIORITIES**

16. The Director-General updated CRGA on the Secretariat's implementation of key FPR priorities, in particular in the areas of fisheries, climate change and disaster risk management, and cervical cancer. PIFS updated CRGA on the current review of the FPR. The review will focus on the processes that have been established under the Framework to ensure that they deliver on its underlying principles and intent. PIFS noted that the review report and its recommendations will be considered by the Forum Officials Committee (FOC) in November 2018.
17. CRGA noted the update on the review of the Framework for Pacific Regionalism, and related joint work addressing priorities in fisheries, climate change and disaster risk management, and cervical cancer.

#### **AGENDA ITEM NO. 6.3: IMPLEMENTATION OF SIS LEADERS' STRATEGY**

18. PIFS provided CRGA with a status report on progress in implementing the Smaller Island States (SIS) Regional Strategy 2016–2020, which was endorsed by SIS Leaders in Koror, Palau, in June 2016, and by Pacific Islands Forum Leaders in Pohnpei, FSM, in September 2016, as well as the Strategy's companion Implementation Plan. The purpose of the strategy is to advocate, and build resilience and partnerships, for the development of Smaller Island States. PIFS acknowledged the important role of SPC in pursuing SIS priorities. The Forum Secretariat has progressed work in the Strategy's priority areas of air and sea transportation, particularly regarding the negotiation of fair and equitable air services agreements and the development of a model for joint tendering of air services on selected intra-regional routes between the SIS and with neighbouring countries. Work has also progressed on labour mobility with regard to skilled migration, employment creation and immigration facilitation, including legislative drafting of immigration laws in partnership with the Pacific Immigration Directors Conference (PIDC). Climate change work under the Strategy includes a joint SIS proposal to the Green Climate Fund (GCF), agreeing on: (i) infrastructure resilience; (ii) sustainable transport; and (iii) a climate change insurance facility, as the three thematic areas that SIS wish to pursue under joint proposals. The SIS Regional Strategy will undergo a mid-term review in late 2018 as part of the overall effort to keep it relevant and responsive to the expectations of SIS members and stakeholders. The Joint CROP-SIS Attachment Programme will commence in 2018, and will run for a minimum of three years, involving the placement of SIS representatives across all nine participating CROP agencies in fields consistent with the five priority areas under the SIS Strategy and Implementation Plan. The D-G indicated that SPC provides services in most of these areas, except air services, and has a role in all of the other areas identified in the SIS Regional Strategy.

19. CRGA:

- i. reaffirmed the SIS Regional Strategy and Implementation Plan as the basis for articulating its support for SIS regional priorities;
- ii. noted the updates on air services, labour mobility, and climate change work under the SIS Strategy;
- iii. agreed on activities within the SIS Implementation Plan where PIFS and SPC can build stronger partnerships in order to access the technical and financial assistance needed;
- iv. endorsed SPC's participation in the Joint CROP-SIS Attachment Programme;
- v. noted the investment of the Secretariat in implementing the SIS programme, and directed the Secretariat to continue to work closely with the SIS programme, identifying and implementing actions of the SIS Strategy that are relevant to SPC's comparative strengths.

**AGENDA ITEM NO. 7: OPERATIONS AND MANAGEMENT DIRECTORATE REPORT**

**AGENDA ITEM NO. 7.1: 2017 AUDITED FINANCIAL STATEMENTS**

20. The Secretariat presented SPC's 2017 audited financial statements, for consideration by CRGA, in accordance with SPC's Financial Regulations. The annual financial statements for both the Pacific Community and the Pacific Community Provident Fund received unqualified audit opinions for the financial year 2017. The Secretariat noted that the organisation had moved to a single company structure, which has allowed the Secretariat to prepare financial documentation more clearly and efficiently. The Secretariat continues to evolve the detail contained in the financial reports, and a significant change in the current set is the detail, contained in Appendix A, of development partner contributions by project, including funding movements – this is important, given that around 80 per cent of SPC's activity is project-based. SPC's surplus in 2017 was income-driven, while the Secretariat has maintained a sharp focus on improving project execution rates (which have improved), with flow-on effects for higher levels of project management fee recoveries, offsetting administrative costs. SPC incurred an exchange rate loss of EUR 1.7 million in 2017, effectively offsetting a favourable exchange movement in the previous period; volatility in global currencies remains a challenge for SPC. While overall expenditure has increased, the Secretariat reduced staff expenditure as a result of organisational restructuring in 2016, noting that around 40 per cent of SPC's expenditure is staff or staff-related. SPC has liabilities of around EUR 17 million. SPC runs a highly leveraged business, especially because of the large proportion of project activities, which impacts the organisation's liquidity. Reserves were EUR 19.5 million, but these are matched or tied directly to illiquid property assets. Member contributions and host country grants decreased during the year, and the Secretariat talks regularly to members around the need to ensure they pay their assessed contributions and host country grants. SPC reported total current/non-current provisions of EUR 12.6 million, a significant part of which related to current project audit liabilities for ineligible expenses. At year-end, provision for ineligible expenses was EUR 7.5 million. The Secretariat is working directly with the EU on this issue, and in the last several weeks, that provision has decreased to EUR 3.7 million.

21. CRGA:

- i. adopted the 2017 audited financial statements for the Pacific Community and the Pacific Community Provident Fund;
- ii. noted that the 2017 audited financial statements for the Pacific Community and the Pacific Community Provident Fund were unqualified and presented a true and fair view of the financial position and performance of these entities in accordance with International Public Sector Accounting Standards (IPSAS).

**AGENDA ITEM NO. 7.2: BUDGETS: 2018 REVISED BUDGET; 2019 PROPOSED BUDGET; ASSESSED CONTRIBUTION AND HOST COUNTRY GRANTS**

22. The Secretariat presented SPC's revised 2018 budget to CRGA for noting, in accordance with SPC's Financial Regulations, which require the Director-General to inform CRGA of budget revisions. The Secretariat also presented the draft 2019 budget for consideration by CRGA. The revised 2018 budget was adopted out of session by CRGA in December 2017, based on a detailed review and recommendation by both the Audit and Risk Committee and the CRGA Subcommittee on Strategic Plan Implementation. The revised 2018 budget was restated in euro, following the out-of-session decision of CRGA in December 2016 to change the organisation's operating currency from January 1 2017. This change has allowed the Secretariat to improve the quality of treasury management. The Secretariat presented a balanced budget for 2018, with expenditure and income both running at approximately EUR 82 million. The 2019 draft budget shows a deficit of EUR 2 million, but the shift of the timing of CRGA to mid-year means that there is a degree of uncertainty around the levels of funding available for the subsequent year, particularly given the organisation's heavy dependence on project funding. SPC has a large suite of projects that are ending this year, and the Secretariat is working hard to replace project funding for the next period to reduce the projected deficit. The Secretariat requested that members work with the Secretariat to ensure that new projects address priorities, and informed members that the Secretariat is in the process of finalising new projects relating to EDF11. The Secretariat is engaging in discussions with the EU, which aim to increase flexibility in the way that the EU funds SPC. The organisation's reliance on project funding is highlighted by the squeeze in other income sources. SPC's core income is predicted to decline in 2019 by EUR 1 million, while assessed contributions are constant, and voluntary contributions are expected to decline. Adverse currency movements are impacting the predicted level of core income.

23. CRGA:

- i. endorsed the 'out-of-session' adoption of the revised 2018 budget;
- ii. noted the draft budget for financial year 2019, subject to:
  - a. the Secretariat presenting a revised 2019 budget that substantively addresses the current forecast deficit;
  - b. review by the Audit and Risk Committee;
  - c. review and endorsement by the CRGA Subcommittee on Strategic Plan Implementation by December 2018;



- d. out-of-session adoption by all members of CRGA before 31 December 2018;
- iii. noted the ongoing budgetary challenges for future years that stem from SPC's high reliance on cyclical project financing;
- iv. requested that:
  - a. the Secretariat publish and share with all members the core-funded SPC governance meetings (whether CRGA, Conference, subcommittees, ministerial or heads of sector meetings) that the Secretariat considers to be critical for member attendance;
  - b. the Secretariat engage in discussions with members – and consider practices of other CROP agencies – to explore ways for members to directly fund their own travel and accommodation costs for participating in critical, core-funded SPC governance meetings, and present proposals as part of the out-of-session budget approval process in December 2018;
  - c. a detailed review of assessed contributions be undertaken, in consultation with members, with recommendations to be submitted to CRGA 49;
  - d. a detailed review of host country grants be undertaken, in consultation with host countries, on feasible and appropriate levels of host country grant, with recommendations to be submitted to CRGA 49;
- v. requested members to scale up their advocacy efforts in support of the Secretariat, utilising bilateralism to support multilateralism.

#### **AGENDA ITEM NO. 7.3: AUDIT AND RISK COMMITTEE REPORT**

24. The Chair of the SPC Audit and Risk Committee (ARC) presented the report prepared by the ARC to update CRGA on the Committee's work over the past 12 months.
25. CRGA:
- i. noted the report from the Chair of the SPC Audit and Risk Committee;
  - ii. approved the establishment of a small working group with interested members to consider proposed amendments to the ARC Charter and Internal Audit Charter, and the circulation of these documents to the Audit and Risk Committee and to all members for out-of-session adoption before November 2018;
  - iii. endorsed the appointment of Ms Caren Rangī as an ARC member for a term of three years.

#### **AGENDA ITEM NO. 7.4: REPORT ON HUMAN RESOURCES**

26. The Secretariat updated CRGA on key initiatives being undertaken by the Secretariat's Human Resources Department (HR Department) from 2017 to 2018 to ensure its professional services meet the requirements of the Operations and Management Directorate's (OMD's) business plan, the needs

of programmes and divisions, and the objectives of the Pacific Community Strategic Plan 2016–2020. The HR Department has implemented, or is implementing, several projects to enhance the efficiency of its systems and processes. System development initiatives include a new online HR information system and a redesigned (automated) performance development system. Training programmes on policies, including child protection and domestic violence, have been implemented across the organisation, the latter of which goes towards fulfilling SPC's gender mainstreaming strategy. The current Staff Regulations (2014) are being reviewed, and a full suite of HR policies are being drafted, with consultations with staff currently occurring. The Secretariat proposed that any recommended changes to the Staff Regulations be submitted for approval out of session in December 2018. Members proposed that the Secretariat convene a working group, comprised of members, to be tasked with considering any recommended changes to the SPC Staff Regulations. The HR Department is also actively engaged in enhancing SPC's competitiveness in the job market and its capacity to attract and retain talented people. Members commended the Secretariat for its work to ensure that SPC's HR policies are updated and modernised. Members affirmed support for SPC's bilingualism policy, and its nature as a multi-lingual organisation representing the entire Pacific region.

27. CRGA:

- i. noted progress in implementing the human resources work programme and key initiatives in alignment with the Operations and Management Directorate's business plan;
- ii. directed that the Secretariat convene a working group, comprised of interested members, to be tasked with considering any recommended changes to the SPC Staff Regulations and referring proposed changes to CRGA members for final review and approval out of session in December 2018.

**AGENDA ITEM NO. 7.5: REMUNERATION UPDATE AND SALARY SCALES FOR 2019**

28. The Secretariat presented the 2019 SPC salary scales for positions advertised internationally and for those advertised locally in each of SPC's five host countries. The scales proposed are in accordance with the recommendations of the 2015 CROP Strategic Triennial Remuneration Review (2015 Triennial Review), and address the weakening position of the Secretariat's salary scales compared with those of other CROP agencies and the need to ensure SPC is a competitive employer, while balancing operational budgets. In addition, inflation in SPC's main host countries means that SPC salaries in local markets have depreciated. A review of the SPC salary and benefits system is in progress, and accordingly the Secretariat proposed only interim adjustments to the SPC salary scales, taking into account the movement of the salary scales of other CROP agencies. Members requested clarifications around the methodology used to calculate the proposed change in the mid-point of SPC's salary scales. Members indicated reservation around the proposed salary increases in the context of the organisation's projected budget position. The Secretariat emphasised the cost-neutral nature of the initial proposed increase, and the critical importance of SPC maintaining its ability to attract and retain appropriately qualified and skilled staff, bearing in mind that competing employers for SPC staff are not limited to CROP agencies.

29. CRGA:

- i. directed the Secretariat to prepare further analysis and justification of the change to salary scale and proposed salary increase, and to present these to CRGA for adoption as part of the out-of-session budget approval process in December 2018;

- ii. noted the update on the review of (a) the SPC reference currency for the salaries of positions advertised internationally, and (b) CROP harmonisation on human resources processes and remuneration.

#### **AGENDA ITEM NO. 8: PROCESS FOR RECRUITMENT OF DIRECTOR-GENERAL AND THE DIRECTOR-GENERAL'S PERFORMANCE ASSESSMENT**

##### **Process for recruitment of Director-General**

30. CRGA:

- i. agreed to a timetable for the recruitment of the next Pacific Community Director-General, while noting the importance for flexibility, given the uncertainty surrounding the timing of the departure of the incumbent Director-General;
- ii. affirmed its preference, if circumstances allow, for an in-person discussion of the new Director-General proposed by the Selection Advisory Committee at CRGA 49 and the Eleventh Conference in 2019;
- iii. appointed the members of the Selection Advisory Committee, in accordance with the Pacific Community Governance Arrangement.

##### **The Director-General's performance assessment**

31. CRGA:

- i. endorsed the Troika's assessment that the Director-General has, over the past year, been performing in the 'adding value zone' – that is, his performance has repeatedly exceeded the requirements of the position;
- ii. noted the areas of strength and areas of development identified in the Director-General's performance assessment;
- iii. noted that the Director-General has, for the second consecutive year, opted to forego any increase in his remuneration, in light of SPC's financial challenges;
- iv. endorsed the enhancements the Troika has made to the Director-General's performance assessment process – that is:
  - a. setting out, in an annual Letter of Expectations, the Director-General's priorities for the year ahead;
  - b. having ongoing performance discussions with the Director-General through the performance year; and
  - c. utilising an online feedback process to improve the transparency and efficiency of the feedback collected as part of the Director-General's performance assessment;

- v. noted that the Troika will relay the outcome of this performance assessment to the Director-General following CRGA.

**AGENDA ITEM NO. 9: CRGA 49 AND CONFERENCE – VENUE, CHAIRPERSON AND VICE-CHAIRPERSON**

- 32. CRGA was advised that the venue for the meeting of CRGA 49 in 2019 will be the same as the venue for the 11th Conference, which shall be chaired by the Cook Islands, and that the Secretariat will advise members of the proposed dates for CRGA 49 and the 11th Pacific Community Conference in due course.
- 33. CRGA agreed that the Chair for CRGA 49 will be provided by Palau, and the Vice-Chair by Pitcairn Islands.

**AGENDA ITEM NO. 10: EVALUATION OF CRGA 48**

- 34. CRGA responded to questions evaluating the conduct and content of the meeting.

**AGENDA ITEM NO. 11: OTHER BUSINESS**

- 35. Kiribati raised a range of protocol-related issues, and requested that its statement be entered into the record of the meeting, which the Secretariat undertook to do. The Secretariat acknowledged that, at high-level meetings involving members, it would continue to endeavour to exercise its best efforts to ensure that members' expectations were met, where these matters were within its control.
- 36. RMI raised the question of meeting procedures around remote submissions to meetings, and requested that the CRGA meeting procedures be clarified around this issue. The Secretariat indicated its position of encouraging direct and full participation in meetings, and generally discouraging remote submissions. The Chair indicated that in the specific case of allowing remote submission to this meeting on behalf of one member, this was allowed on an exceptional basis. The Secretariat confirmed that the CRGA rules of procedure permit the Chair of CRGA to exercise discretion of this nature.

**AGENDA ITEM NO. 12: OBSERVER STATEMENTS**

- 37. CRGA heard, with appreciation, in order of presentation, statements from the European Union, Deutsche Gesellschaft für Internationale Zusammenarbeit and the Melanesian Spearhead Group (MSG). The following observers tabled their statements, to be appended, with all observer statements, to the meeting report: the International Organisation of la Francophonie, Pacific Islands Forum Secretariat, Secretariat of the Pacific Regional Environment Programme and University of the South Pacific.

**AGENDA ITEM NO. 13: ADOPTION OF CRGA 48 DECISIONS**

- 38. CRGA adopted its decisions.
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