

**6<sup>TH</sup> MEETING OF THE CONFERENCE OF THE PACIFIC COMMUNITY**  
(Nuku'alofa, Tonga, 6–9 October 2009)

**REPORT OF PROCEEDINGS**

**AGENDA ITEM 1 – OPENING OF THE SESSION**

1. The Chairperson, the Honourable Dr Feleti V. Sevele, Prime Minister of Tonga, called the meeting to order and welcomed attendees on behalf of the Government of the Kingdom of Tonga. He reminded delegates of SPC's long history of service in the region, noting that SPC's governing body comprised heads of government until after the establishment of the Pacific Islands Forum (formerly the South Pacific Forum) in 1971. He said there were two reasons for delegates to participate in the conference: first as a celebration of SPC's 63-year history of achievement, and secondly because SPC is taking on a larger role in the regional development agenda as a result of the decisions relating to the regional institutional framework (RIF). He said it was therefore appropriate for member governments to pay particular attention to SPC's contribution. He acknowledged the complementarity between the work of the Pacific Islands Forum Secretariat (PIFS) at the political and policy level and that of SPC at the scientific, technical and research level. He reminded delegates of the theme of the Conference, *Maximising impacts of regional programmes at national level*, saying that SPC touches lives, gives hope and builds capacity throughout the region and called on members to ensure they are represented at the ministerial level at future Conferences. He noted that more ministers were in attendance than at previous Conferences, and expressed his confidence that the meeting's deliberations would result in a successful outcome.
2. The meeting adopted the agenda as presented.
3. The Chairperson suggested that the Drafting Committee be composed of the same members as at CRGA 39 (American Samoa, France, New Zealand, Papua New Guinea [PNG], Pitcairn Islands, United States of America [USA] and Tonga), with Cook Islands again providing the Chairperson.
4. The meeting adopted this suggestion, as well as the proposed hours of work, with the Drafting Committee to meet in the afternoon as well as in the morning.

**AGENDA ITEM 2 – LETTER FROM CHAIR OF CRGA TO CHAIR OF CONFERENCE**

5. The Chairperson of CRGA 39, the representative of Australia, presented a letter summarising the meeting's deliberations and recommendations to the Chairperson of the Conference. She thanked the Kingdom of Tonga for the excellent arrangements made for the meeting and for its quick response to the tsunami alert that occurred part way through the proceedings.
6. The Chairperson of the Conference thanked the Chairperson of CRGA 39 for her work and for the recommendations.
7. The Director-General thanked the Chairperson and welcomed delegates. He clarified that CRGA is empowered to make decisions in the years in which Conference does not meet, and that therefore the decisions of CRGA 38 were also being presented for Conference simply to note. He noted that the issues in the Chairperson's letter were the key themes from the meeting and were not presented in the same order as in the CRGA agenda. These included the RIF implementation process, which was discussed in the Director-General's report; key items for action from the divisional reports; and policy issues such as the Pacific Plan and establishing development indicators for the region.
8. The representative of Federated States of Micronesia (FSM) thanked the government of Tonga for the opening ceremony and noted that the opening statements by Her Royal Highness,

Princess Salote Mafale' o Pilolevu Tui, and the Director-General mentioned important issues that would be part of the agenda for the Conference. He also noted that most of the issues in the CRGA recommendations would be covered in the Conference agenda as well. He congratulated the Chairperson and thanked the Government of Tonga for its hospitality. He also extended the condolences of the people of FSM to Tonga, Samoa and American Samoa for the loss of lives resulting from the recent tsunami, as well as to the Director-General, whose father died in Solomon Islands on 3 October. He thanked the development partners and the heads of the regional and international organisations represented at the Conference. He noted that the issue of long-term sustainable financing was raised in the letter and in the recommendations from CRGA, and said that FSM supported SPC's effort to address this issue. He said FSM endorsed the recommendations of CRGA and all efforts to ensure that SPC receives the necessary funding, including examining the funding provided by development partners and through assessed contributions.

9. The representative of American Samoa thanked attendees for their condolences and words of sympathy. He congratulated the Chairperson and thanked Tonga for its hospitality. He recognised the recent donation from Tonga and thanked the US Government and President for quickly declaring a federal disaster, which opened channels of assistance. He offered the condolences of American Samoa to the people of Samoa and Tonga. American Samoa had hosted an SPC team headed by the Deputy Director-General in April, and in one intensive week, American Samoa and SPC developed a joint country strategy (JCS) to guide SPC's future work in the territory. He said that American Samoa looked forward to continuing to work with SPC.

10. The representative of Niue thanked the Government of Tonga for its hospitality and expressed the condolences of Niue to Tonga, American Samoa and Samoa. He noted that there was a need in Niue to review methods of response to earthquakes and tsunamis, as in some cases people responded in ways that were not appropriate. He said that Niue would provide whatever assistance it could to the three countries affected by the recent tsunami, stressing that recovery could be a difficult and slow process, particularly dealing with the psychological effects of the tragedy. He said that each of the regional organisations had been established in response to requests from countries; he welcomed the ongoing rationalisation and hoped there would be savings. He said that SPC had played a vital role in the lives of people in the region and had been effective in many areas. Like SPC, member governments had been affected by the global financial crisis and it was unreasonable to expect them to contribute more, as this might cause serious problems for national budgets. He said that leaders in the region needed to review and coordinate SPC's work with regional priorities. Niue's priorities were to develop its economy via tourism and fisheries. Given the region's vast fishery resources, it was hard to understand why countries were still poor despite the wealth of fish that had been taken from their exclusive economic zones (EEZ). Niue would take note of approaches used by other countries in the region. In tourism, Niue viewed Cook Islands, French Polynesia and Fiji Islands as models. Niue would focus on economic development as it was the best way to provide basic services to people. He said that climate change would have a major impact, not just in terms of environmental changes, but also by causing damage to infrastructure. He said Niue was grateful for the support from donor countries in the areas of economic and social services; the problem was that recipients of this support could become dependent on it and stop thinking about what they could do for themselves. He said that Pacific Island countries and territories (PICTs) were looking to SPC to help develop their economies and their social infrastructure, noting that donor priorities sometimes took precedence and were effectively forced on recipient countries.

11. The representative of Cook Islands endorsed the expressions of condolences to the host country and to the people of Samoa and American Samoa. He said Cook Islands supported the Chairperson's report overall, but that he wanted to make a few comments. He said he had been briefed by a task force on economic development made up of representatives from the private sector and that it recommended a holistic approach to development that included all sectors. A holistic approach to health would be welcome, but would require additional resources. He noted that in order to succeed, the parties would need to work together at all levels, and that SPC's work should be closely related to

the outcomes of the Forum Leaders' meeting and their stated priorities. PIFS and SPC should work together to address these priorities.

12. The representative of Kiribati thanked Australia and Cook Islands for providing the Chairperson and Vice-Chairperson for CRGA, noting that it was a constructive meeting with important outcomes. He also thanked the Director-General and staff of SPC for the work that went into preparing the Conference papers and making arrangements for the meeting. He offered the condolences of Kiribati to those affected by the tsunami. He said that some members of the public had panicked but that governments had ensured that everything went as well as it could. With regard to the Chairperson's letter, he said that though some were questioning the decentralisation approach, the issue had been carefully considered by the leaders. Kiribati was interested to know the locations of SPC offices and to see an analysis of the costs. He noted that there was a paper dealing with the effects of the global economic crisis and that he had expected it to be about the economy around the world but instead it was about SPC staff remuneration and how SPC was moving forward with a raise for its staff. This could affect the contributions of member countries. He recommended that SPC look at economic opportunities for PICTs, such as the relocation of US military forces in Guam. He said that Kiribati supported all of the other recommendations.

13. The representative of Fiji Islands extended the sympathy and condolences of Fiji to those affected by the tsunami. He said Fiji Islands was ready to endorse the recommendations of CRGA.

14. The Chairperson accepted the report of the CRGA Chairperson and asked the meeting if it endorsed the recommendations.

15. The representative of Niue noted that in the Chairperson's letter it was not possible to tell what work had been done by Land Resources Division (LRD), for example. One could only see that it required greater resources.

16. The Chairperson responded that a number of programmes were highlighted in the letter.

17. The Director-General said that Niue had raised a valid point and he briefly expanded on some of the issues relating to the recommendations. He said that LRD focuses on plant and animal health and biosecurity and noted that after cyclone Heta caused widespread devastation in Niue, the Centre for Pacific Crops and Trees (CePaCT) had helped replenish Niue's crops. In the area of economic development, a new division will deal with energy, infrastructure, transportation and communication. He said that trade in the region was dependent on phytosanitary standards and transportation services. There were development opportunities but they needed to be unlocked and where there were gaps, SPC would provide support to fill them. The new feeder shipping service with its hub in Fiji was an example of SPC's efforts to support economic development. SPC's Public Health Division had a range of programmes to promote health and prevent disease, including non-communicable diseases which were highly prevalent in the region. This work also includes preparedness planning, which was tested during the H1N1 pandemic, as well as mapping of priorities in health. He said everyone is aware that tuna is one of the Pacific's most valuable resources, and the Marine Resources Division (MRD) is working to improve management of the stock and maximise the value for PICTs. As not all PICTs benefit from tuna, there is a need to diversify sources of fish for food in order to feed increasing populations; SPC's MRD is assisting in this area through its aquaculture programme. In the area of human development, he said SPC's Regional Rights Resource Team (RRRT), part of the Social Resources Division, is helping members comply with their international obligations to support the human rights of their people.

18. The representative of Niue asked if the feeder shipping service was commercially viable, if there had been an analysis of trade, and if the service was likely to survive. Regarding fisheries, he said that SPC talks about management of the resource, but he was interested to know more about its commercialisation. He said the only form of commercialisation at present was licensing. He also asked for more information about advances in aquaculture.

19. The Director-General said it was too early to assess the commercial viability of the innovative feeder shipping service, but its initial trips had gone well and it was appreciated by the countries involved.

20. The meeting accepted the recommendations from CRGA 39, with the exception of the recommendation regarding the reappointment of the Director-General, which would be addressed in a closed session.

21. The letter from the Chairperson of CRGA 39 is appended to this report.

### **AGENDA ITEM 3 – DIRECTOR-GENERAL’S REPORT TO CONFERENCE**

22. The Director-General said that the divisional reports presented at CRGA detailed the work of SPC’s divisions and their programmes. His own report included a matrix giving the status of implementation of CRGA 38 decisions. It showed that work had begun on implementing 100% of them. SPC’s annual report for 2008 was also presented. The two-part report provides an overview and a financial report. He noted that SPC received a clean audit report for the 13<sup>th</sup> consecutive year. Referring to the three pillars of SPC’s corporate plan, he said the first one – *Increased focus on member priorities* – is the most important for members and consumed the majority of SPC’s time and effort during the year. Regarding the second pillar – *Strategic engagement at the national and international level* – he said SPC is extending its partnerships with the World Health Organization (WHO), United Nations Population Fund (UNFPA) and US Centers for Disease Control (CDC), allowing it to focus on areas in which it has a comparative advantage and avoid duplication of effort. With respect to the third pillar – *Strategic positioning of the organisation* – he said that in order to deliver at the national level, SPC needs to have the right structure and resources. He noted that an assessment of SPC’s implementation of its corporate plan was included in the paper relating to the evaluation of the Director-General’s performance. Regarding the reform of the regional institutional framework (RIF), he said that the negotiation and consultation phase had ended. Decisions had been made by the Forum Leaders and the joint meeting of the governing councils of the organisations involved (SOPAC, SPREP and SPC) and the process was now in the implementation phase. The Director-General then presented some corporate highlights for 2009, beginning with the appointment of Mrs Fekita ‘Utoikamanu as Deputy Director-General (Suva). Mrs ‘Utoikamanu is a former ambassador from Tonga. He said SPC faced challenges linked to its rapid growth and decentralisation, which required strong corporate systems and delegation of authority. SPC has reviewed its delegation policy. As a result, for example, Deputy Directors-General could now approve all staff appointments up to level J, and directors could approve expenditure up to 100,000 CFP units. However, with greater delegation there was increased accountability. With regard to the response to the global economic crisis, he said SPC had taken strong measures, knowing that member countries were also suffering. All divisions had their budgets cut by 18 per cent, and staff chose to forego an approved pay increase in order to avoid having to further curtail services to members. Table 1 in the Director-General’s report shows SPC’s budget in 2009 and the expected budget in 2010. He noted that 98% of the 2009 budget came from development partners and 2% from PICTs. The 2010 budget is USD 14 million less than the 2009 budget, mostly because some large projects are finishing. However, some funding received since the budget was put together is not shown but will be reflected in an updated budget. Looking ahead, the Director-General said that with the implementation of the RIF reforms, SPC will increase from four to six technical divisions. However, he said this may not necessarily be the best organisational structure and SPC plans a two-phase reform process to refine this structure. He concluded by saying that SPC is thinking ahead to ensure it is well-positioned to support the economic development of its members as well as their social and cultural development.

23. The representative of Solomon Islands congratulated the Chairperson and thanked Tonga for the warm welcome and excellent facilities. He also expressed sympathy to Samoa, American Samoa and Tonga for the tragic losses caused by the tsunami. He thanked the Director-General for his

comprehensive report and noted that Solomon Islands appreciates the work of SPC, especially in implementing the JCS approach. He said that the closer SPC is to the people in the region, the greater the impact of its work at the national level.

24. The representative of Samoa congratulated the Chairperson and thanked the Government of Tonga for its warm hospitality. He also thanked the Director-General for his report. He noted that the RIF process was an enormous task and said that Samoa looks forward to the new combined services. He said that Samoa welcomes SPC's sustainable long-term financing initiative as financing is a challenge. He noted that SPC must be diligent in its effort to seek sustainable funding. He called on SPC's traditional funders to continue to have faith in the organisation as it is making a difference in people's lives.

25. The representative of Papua New Guinea (PNG) thanked the Chairperson and echoed the sentiments of his colleagues on the tragic losses caused by the tsunami. He announced that his government would contribute USD 1 million each to Samoa and American Samoa, and USD 500,000 to Tonga. He congratulated the Chairperson and thanked the Director-General for his report, noting that PNG welcomed SPC's decentralisation initiative. He said that decentralisation would encourage increased alignment with national priorities and ownership of regional programmes by island members. He agreed with Cook Islands and Niue that economic development is essential and that development partners must also align to national priorities. He closed by endorsing the report and complimenting the work of the Director-General and his team.

26. On behalf of Tonga, the Chairperson thanked PNG for its generous donation.

27. The representative of Niue thanked the Director-General and staff for the report and acknowledged the difficulty of continuing operations with a reduced budget. He thanked Australia and other donors for ensuring that SPC can continue to provide services. He said that it was important to agree on a definition of economic development, and noted that the work of SPC's LRD related to economic development. Niue was trying to coordinate all of its plans, which was difficult. Niue was also linking national strategic development plans to its budget. He said he was not party to the original agreement on Niue's JCS and was not sure how it aligned with other plans, agreements and strategies. He welcomed SPC's decision not to implement a staff pay rise in 2009, noting that it was an appropriate decision given the circumstances.

28. The representative of FSM thanked the Director-General and staff for their work. He also thanked SPC for establishing an office in the northern Pacific. He noted that the State Government of Pohnpei had provided welcome assistance, particularly regarding the procurement of land, and that the Governor of Pohnpei State was present at the meeting and would speak briefly.

29. The Governor of Pohnpei State offered greetings from the people of Pohnpei and noted that the state is the host of FSM's capital as well as the SPC Regional Office for the Northern Pacific. He said the state attaches great importance to the SPC office and wants to assist where possible. A central issue was the procurement of land for the Micronesian Village project. The state government had designated a piece of land near the Pohnpei Botanical Garden, which was large enough to also house a conference centre and other organisations and allow for future growth. He said the ambitious project would require assistance, and he was pleased to note that SPC would provide support for developing a design brief.

30. The representative of Cook Islands noted that he had reviewed the publication, *SPC and the Pacific Plan*, which answered some of the questions he had raised earlier. With regard to decentralisation, he asked if SPC planned to open offices or have representatives present in more PICTs, as it would not be possible to open an office in every country and territory that wanted one. He said that the small island states had little chance of having an SPC office, and suggested that SPC undertake to employ a minimum number of people from each small island state. He thanked Australia,

New Zealand, France and other donors and echoed the comments of Niue that it was not an appropriate time to increase assessed contributions.

31. The representative of Australia acknowledged those who had thanked Australia and said that he was at the meeting to listen. He said Australia was very positive about the roles of SPC and PIFS and was interested in the evolution of the JCSs and their fit with Australia's own bilateral agreements. He said Australia regarded the Cairns Compact as an important document for improving coordination with its partners.

32. The representative of France said that France trusts SPC implicitly and noted that France has been involved with SPC for a long time. He said that France approves of SPC's JCS initiative as the best way to align its services with national strategies. He considered that the CRGA-approved initiative to define SPC's core functions and minimum level of services is an excellent idea. He also noted SPC's support for the French Pacific territories and said France hoped SPC's present direction would continue to be pursued.

33. The representative of New Zealand extended condolences to the governments and people of Samoa, American Samoa, and Tonga on the effects of the recent tsunami, and also remembered the victims of the maritime disasters in Tonga and Kiribati. She said New Zealand welcomed the theme of the Conference, given that regional activities can add value to national activities. She said she was at the meeting to hear what island members had to say. SPC had a broad mandate, and with the implementation of the RIF reform, it would increase in size. She stressed there was a need to ensure the organisation functions well, and that one role of the Conference was to provide guidance on its structure and direction. With the challenges ahead, she said New Zealand also welcomed the development of a long-term financing strategy and looked forward to hearing from countries on the impacts of SPC services at national level.

34. The representative of USA thanked the Chairperson, the SPC staff and the people of Tonga. She offered condolences to American Samoa, Samoa and Tonga on the losses suffered in the recent tsunami and to Tonga and Kiribati on the lives lost in the recent ferry disasters. She said that national hopes and aspirations must fit into the regional context, and that there was a need for organisations like SPC to match them and to take on planning for such challenges as tsunamis and climate change. Meetings such as the Conference provided good opportunities to take concrete steps, especially when the global economic crisis challenged everyone to be more efficient. She noted that it was a unique time for the USA as it had its first Pacific president, and was renewing its focus on the Pacific. She said the USA would work with development partners to ensure that it was multiplying rather than wasting resources.

35. The Chairperson noted that in a recent meeting, US Secretary of State, Mrs Hillary Clinton, reaffirmed President Obama's intention to re-engage with the Pacific.

36. The representative of Pitcairn Islands apologised on behalf of the Governor of Pitcairn, who is also the United Kingdom's (UK) High Commissioner to New Zealand. The Governor could not be present as he was in Samoa assisting British victims of the tsunami. She extended condolences to those affected by the tsunami. She said the UK mainly participates in supporting SPC through the EU but is grateful for the support that Pitcairn receives on biosecurity and other trade-related areas. She noted that with the new shipping service, it was possible that Pitcairn Islanders would attend future Conferences.

37. The representative of Kiribati thanked the Director-General for his report and acknowledged SPC's work in the implementation of the new shipping service – which Kiribati was participating in – the Pacific Rural Internet Connectivity System (PacRICS); the Centre of Excellence for Atoll Agriculture Research and Development in the Pacific; the tuna tagging programme; and public health initiatives addressing non-communicable diseases, HIV, H1N1, and health challenges.

38. The representative of PNG commended SPC, SOPAC, SPBEA and PIFS on their progress to date in implementing the RIF reforms. He said PNG highly valued the disaster risk management programme delivered to PNG by SOPAC and stressed that SOPAC's services should be maintained or enhanced under the new institutional arrangements. He said the long-term sustainable financing of SPC was critical. Equally, the processes of rationalisation and decentralisation should ensure that SPC's work complements members own development efforts, with measurable targets and indicators established to enable monitoring and evaluation.

39. The representative of Tokelau extended condolences to the governments of American Samoa, Samoa and Tonga for the losses due to the recent tsunami. He said Tokelau supported SPC's decentralisation. He noted that in 2006, five regional organisations and five international organisations had sent representatives to Tokelau to put together a regional framework so organisations could effectively work in support of Tokelau's development needs. The initiative began successfully, but coordination and implementation were lacking. This experience motivated Tokelau's leaders, public servants and community members to work to ensure that national development priorities underpinned all development work in the country. In 2008, Tokelau developed its first national strategic plan. Tokelau's view was that regional resources must focus on national programmes, and that decentralisation, and the continuation of regional programmes, must not interfere with this focus. He noted that in order to respond to the increasingly complex challenges that exist, Tokelau needed the support of friends and neighbours more than ever. In closing, he thanked the government and people of Tonga for their hospitality.

40. The Director-General thanked delegates for their support, saying that it was very encouraging to hear because it confirmed that the organisation's staff – 'your staff' – was delivering. With regard to decentralisation, he said that the instructions from the fourth Conference in Palau had been to move services beyond Suva and Noumea to be closer to the people and to match services to national development plans through JCSs. He said SPC is now working with other members of the Council of Regional Organisations in the Pacific (CROP) in developing JCSs, and that in a few years there might be a single JCS for each PICT including the work of all CROP agencies. Development partners are big players at the national level, with bilateral aid much larger than regional aid, and SPC would like to be a part of the bilateral process. He noted that in terms of decentralisation, Noumea was in the southern part of the region, Suva in the centre, PNG in the West and Pohnpei in the North. SPC would look at locations for an office in the East. Regional offices have staff that can be called on to assist countries and staff in country offices work on country programmes. He said that SPC would explore cooperating with PIFS where it has desk officers and consider co-financing positions. Decentralisation also had costs, and SPC needed commitment from members. He said that SPC had established a new Economic Development Division, though most of its other work also relates in various ways to economic development. CRGA had approved the creation of a subcommittee to identify SPC's core functions and priorities. This was a complex issue because the Canberra agreement stipulates what SPC must focus on, and at present SPC does not do even 50% of what is listed. He thanked delegates for their comments about the publication, *SPC and the Pacific Plan*, noting that Chapter 14 presents lessons learned, and that other chapters address climate change and food security. In relation to partnerships, he said that meetings of CROP heads were becoming more strategic in providing feedback to leaders. Hence, the PIFS Secretary General was present at the Conference in order to hear feedback from members regarding regional services.

#### **AGENDA ITEM 4 – THEMATIC DISCUSSIONS**

##### **AGENDA ITEM 4.1 – JOINT COUNTRY STRATEGIES: ALIGNING THE WORK OF REGIONAL ORGANISATIONS TO NATIONAL DEVELOPMENT STRATEGIES**

41. The Deputy Director-General (Noumea) said the joint country strategies (JCSs) are a key initiative of SPC's corporate plan. Sixteen strategies had been completed and SPC expected to have all 22 done by the end of 2010. Also in 2010, SPC would develop the first of a second cycle of JCSs.

Country reports had been compiled for all 22 island members, detailing actions taken jointly with the countries during the year. For those countries with completed JCSs, these documents reported progress against the JCSs. He said that these strategies and reports would lift accountability, and would ensure an ongoing monitoring role for country focal points, who previously had taken on this role only temporarily before CRGA. He stressed that the JCSs take full account of each country's situation and are developed using a participatory approach, meaning that countries determine the priorities. The process results in strengthened accountability, with countries able to assess the benefits they receive and monitor progress, giving them greater ownership. He concluded by saying that SPC was looking for guidance from members to further refine the approach.

42. The representative of Niue said that work in agriculture should have commercial value. He said that the tuna tagging project was good but he wondered what the commercial value was. The work of CePaCT was important and had proven very useful, as had SPC's information and communications technology (ICT) programmes, such as PacRICS. These programmes were inexpensive and valuable for the future. He asked if there had been employment surveys to assess the extent to which programmes such as these led to employment. He noted that, given its small size, the focus in Niue was not just on the 'whole of government' but on the entire country, including the private sector. In terms of monitoring, Niue's budget is being linked to its national development plan and to donor contributions. Niue is able to see SPC's activities and how they contribute to the national plan, as well as monitoring tourism, population growth, labour migration and gross domestic product (GDP). However, economic information such as GDP is sometimes only understood by professionals, not by politicians. He asked for more information about SPC's work in agriculture and resulting employment, and about commercialisation of marine resources.

43. The Director of Marine Resources said that the aquaculture programme was focusing on vehicles to promote development by the private sector. He noted that limits needed to be set on tuna harvests and that the tuna tagging project was helping to gather information to determine what limits to set so that catches would be as profitable as possible but also sustainable.

44. The representative of Niue asked about unregulated catches.

45. The Director of Marine Resources said that illegal, unreported and unregulated fishing was a problem. The level was hard to determine but was estimated at perhaps 10%. He said that SPC was working with PIFS on reducing it.

46. The Director-General said that SPC had been asked to explore communications solutions and had presented PacRICS as an inexpensive technology that works. He said the next step was getting buy-in from countries. Countries had only realised some value in the last six months, and there would be a request for an extension of funding. He said that presentation of scientific information could be improved to make its application more easily understood. It could be helpful also to translate statistical information into more accessible measures, such as discussing the number of new clinics or classrooms that would need to be built rather than the rate of population growth.

47. The representative of Solomon Islands encouraged SPC to continue in areas where good results had been achieved. One practical example was the establishment of a piggery slaughterhouse in rural Isabel Province. He said that with the Global Fund, SPC was taking a lead on fighting malaria and tuberculosis and was getting good results. The entire Solomon Islands population would be reached by several key interventions. But, he noted, SPC must work in partnership with the private sector and other regional organisations. He commended SPC's work on developing the JCS with Solomon Islands, saying that the strategy provides an important mechanism for monitoring and evaluating SPC's work. The JCS is aligned with Solomon Islands' Mid-term Development Strategy and reflects the government's priorities over the next four years. The government focal point has assessed the JCS, holding a meeting of key government stakeholders. The results were positive but there was one concern: the JCS is implemented in a fragmented way. Improvements were needed in the way SPC communicates information about staff movements in-country and about how the work of



these staff members relates to the JCS. He noted that it was pleasing to see the increasing attention being paid to statistics, as tracking development progress, and progress on achieving the Millennium Development Goals and national development plans are dependent on good quality statistics. In developing countries such as Solomon Islands, development indicators are better indicators of the state of the economy than figures for economic growth. He acknowledged the work of SPC in building statistical capacity in Solomon Islands and noted that in the future there would be a need to focus on statistics in areas such as ICT.

48. The representative of Samoa said that Samoa welcomed SPC's commitment to ensuring that regional approaches are aligned with national priorities such as those expressed in the 2008–2012 Strategy for the Development of Samoa. This alignment was valuable in focusing attention and resources on key priority areas in order to achieve Samoa's national development outcomes. He said that Samoa looked forward to finalising its strategy with SPC, and that the JCS would strengthen priority setting in the context of limited resources. Because development issues were cross-cutting, SPC needed to engage in partnerships. Sustainable financing was also critical to ensure that SPC had the human capacity to continue to implement regional priorities, while it was important to remember that human capacity at the national level also had to be strengthened. In the area of public health Samoa supported 'whole of government and communities' and multi-sectoral approaches. Regarding the pilot studies on matching regional and national priorities and resource allocations in health, he asked if Samoa would be given an opportunity to study the methodology used in the study if it wished to implement a similar study in Samoa.

49. The representative of Australia said that Australia welcomed the requests of more and more countries for support to improve statistics, though this area may not be as immediately appealing as child health, for example. He said Australia acknowledged SPC's lead role in statistics for the region and was concerned about the lack of resources. He said that the minister would be making a statement on what Australia could do to help strengthen national statistics offices and work with the Pacific Financial Technical Assistance Centre (PFTAC), but that he wanted to announce that Australia would make available up to AUD 10 million to SPC to strengthen statistics in the region. He said that gender-based violence was a global problem that existed in every country and the situation was not improving. The region had to face up to it and take concrete action. The results of recent studies had generated high-level political commitment in Kiribati and Solomon Islands and CRGA had requested an update in this area. He said that for Australia it was a top priority, given that there had been a lack of progress in the area despite good intentions and effort.

## **DECISIONS**

50. Conference:

- i. noted the progress made by the Secretariat and national partners in developing joint country strategies;
- ii. noted plans to start developing a second cycle of the strategies; and
- iii. welcomed the Secretariat's approach to involving other CROP (Council of Regional Organisations in the Pacific) organisations in developing the JCSs.

### **AGENDA ITEM 4.2 – SECTORAL CASE STUDY: MATCHING REGIONAL AND NATIONAL PRIORITIES AND RESOURCE ALLOCATIONS IN PUBLIC HEALTH**

51. The Director of the Public Health Division (PHD) presented this paper outlining the results of work on mapping priorities in health in three member countries – Nauru, Palau and Solomon Islands, noting that the studies were carried out in response to a request by the 5<sup>th</sup> Conference and Pacific Ministers of Health. He said that at the beginning of 2009, PHD commissioned the three case studies

which analysed not only the health sector and health services but also the underlying social determinants of health, the role of other sectors in determining health outcomes, and the alignment of development assistance in the health sector with stated national priorities. He said that these pilot studies, together with those to be conducted in other PICTs (if considered appropriate), will contribute to the development of a 'Framework of Priorities for Health in the Pacific' (FPHP), which will support national health plans and strategies, strengthen PICTs' individual efforts to mobilise resources and ultimately contribute to delivering better health outcomes. The pilot studies were conducted between February and July 2009 and the findings were still being analysed. However, a number of findings common to all three countries had been identified. These related to lack of data on gaps in funding; insufficient funds to combat the high prevalence of non-communicable diseases; dominance of project-based funding for specific health priorities, which does not address other and emerging priorities; no cohesive attempts to address social determinants of health outside the health sector; and weak health systems.

## **DECISIONS**

52. Conference:

- i. noted the findings of the pilot studies, particularly the imbalance between national priorities in health and the amount of funding available;
- ii. endorsed the adoption of a whole-of-government approach to addressing social determinants of health, and efforts to strengthen the ability of health systems to implement this approach; and
- iii. noted that additional resources will be required to implement a wider trial of the health mapping exercise and encouraged development partners to support the Secretariat's efforts to complete the mapping exercise as soon as possible.

### **AGENDA ITEM 4.3 – MONITORING DEVELOPMENT PROGRESS AT NATIONAL LEVEL: STATUS OF CORE DEVELOPMENT INDICATORS**

53. The Manager of SPC's Statistics and Demography Programme presented a paper outlining SPC's efforts to develop a system to assist members in regular monitoring and reporting of development progress against national and international development targets, including the Millennium Development Goals (MDGs). He said the mid-point of the countdown towards the 2015 global targets for MDGs has been reached and although progress had been made, the Pacific region was struggling to meet many of the development objectives, with significant variability between individual PICTs. To enhance members' access to relevant development data, SPC was working with stakeholders including members to agree on a core set of indicators for Minimum National Development Indicator Datasets. The next step would be to finalise the initial dataset, which would be shared with development partners and members to ensure it met their monitoring and tracking requirements. This work would ultimately result in a monitoring system allowing tracking of development in real-time, based on collection and compilation of high-quality statistics. He noted that achieving this aim would require investment of additional resources at national and regional levels and welcomed the announcement by Australia that it would provide AUD 10 million to SPC over the next four years to support the work being led by SPC to improve the timeliness and quality of statistics in island member countries and territories to achieve real-time monitoring of development progress and enhance evidence-based decision-making. He also noted that Papua New Guinea had included statistics as the fifth key priority to be supported by Australia under the Australia-Papua New Guinea Pacific Partnership Agreement and commended this approach to other members in their own consultations with Australia.

## DECISIONS

54. Conference:

- i. recognised the efforts made by SPC to develop a system to assist members in regular monitoring and reporting of development progress against national and international development targets, including the MDGs;
- ii. noted that the work will result in a monitoring system that will allow tracking of development in real-time, based on collection and compilation of high-quality statistics;
- iii. further noted that achieving this aim will require investment of additional resources at national and regional levels; and
- iv. welcomed with great appreciation Australia's announcement that it will provide AUD 10 million to SPC over the next four years to support the work being led by SPC to improve the timeliness and quality of statistics in island member countries and territories.

### AGENDA ITEM 4.4 – MAXIMISING IMPACTS OF REGIONAL PROGRAMMES AT NATIONAL LEVEL

55. The Director-General introduced a discussion of the conference theme, *Maximising impacts of regional programmes at national level*, by saying that the essence of the theme is embodied in the Canberra Agreement, SPC's founding document, in the decisions taken by the 4<sup>th</sup> Conference of the Pacific Community in Koror, Palau (2005), and in the organisation's corporate plan for 2007–2012. He stressed that regional organisations in the Pacific exist to serve their members' priorities and must add value to national development outcomes by supplementing or complementing the work of members' own programmes. In recent years, SPC had implemented several policies and initiatives to enhance the delivery of services at the national level, including decentralisation and the development of joint country strategies. He noted that in many instances regional mechanisms were the most effective and cost efficient way of delivering services to members. However, to achieve the full benefits of regionally delivered services, members, development partners and the Secretariat had to work together – with each playing a role in the process – to ensure optimum impacts at national level. As examples of such services, the Director-General highlighted SPC's regional maritime compliance audit system; the pandemic preparedness project, which had assisted in building national capacity to address the influenza pandemic; the demography and health surveys, which were providing significant strategic information and policy options for members; the work of the Centre for Pacific Crops and Trees (CePaCT) in researching, developing and collecting 'climate ready' food crop and plant varieties to support Pacific food security; and the impact of SPC-led ICT initiatives in providing internet access for remote Pacific communities. He said just a small sample of the impacts of SPC's work would be highlighted in the following presentations by representatives of various national institutions and non-government organisations.

56. The Chairperson thanked the Director-General for his introduction and invited the meeting to listen to presentations on the impact of SPC's work at national level by speakers from Kiribati, Samoa, Solomon Islands, Tonga and Vanuatu.

57. The presenters included two speakers from Kiribati. Tokintekai Bakineti, Coordinator of the Centre of Excellence for Atoll Agriculture, which was established by SPC in 2008, described the centre's work in supporting climate change adaptation. Bwanouia Tabeau Aberaam, CEO of the Kiribati Telecommunications Authority, spoke of the policy responses being made to capitalise on the opportunities offered by PacRICS (Pacific Rural Internet Connectivity System). He said the government was changing its ICT policy to open up the telecommunication area to more internet service providers. Sharon Potoi-Aiafi, Assistant CEO of Samoa's Ministry of Foreign Affairs and

Trade, highlighted the value of regional contributions to Samoa's national taro breeding programme, which had successfully developed varieties with good tolerance to taro blight. She noted that in 1993, taro blight devastated this important staple crop in Samoa. Joseph Matou, Director of Vanuatu's Department of Cooperatives and Ni Vanuatu Business Development Services for Vanuatu's Ministry of Cooperatives and Business Development, spoke of the impact of a 'training of trainers' development project conducted in Vanuatu by SPC's Community Education and Training Centre (CETC). Dr Taniela L. Fusimalohi, Chief Executive Officer and Director of Tonga's Ministry of Training, Employment, Youth and Sports, made a presentation on nationalising 'best practice' regional training programmes, noting the support that the new ministry had received from SPC programmes including CETC, the Regional Maritime Programme, the Regional Media Centre, and the Marine Resources and Land Resources Divisions. He said a particular strength of SPC's services was that they were relevant to Pacific Island conditions. There were two presenters from Solomon Islands. Brian Bird, Principal of Patukae High School, described the huge benefits of the PacRICS and OLPC (One Laptop Per Child) regional initiatives for rural schools, clinics, businesses and communities in the Western Province of Solomon Islands, saying that 'with the help of SPC, remote children now have access to the world of information'. Both initiatives are being implemented by SPC as part of its role in leading the regional digital strategy. Eddie Sikua, Assistant Police Commissioner for the Solomon Islands Police Force, spoke about the national response to the results of the recently completed research on gender-based violence. An important part of the response was the establishment of the first 'Family Violence Unit' within the Royal Solomon Islands Police Force. The research project was implemented by SPC in partnership with the Solomon Islands government, AusAID and UNFPA (United Nations Population Fund). Finally, Mike Batty, Director of SPC's MRD, made a presentation on the work of SPC's regional observer programme, which supports the development of national programmes to train the observers required to monitor tuna fishing catches and methods. More than 200 observers had been trained and the programme was progressively developing the capacity of national authorities to take over observer training where appropriate. For instance, Papua New Guinea was increasingly using its own trainers, with SPC overseeing standards.

58. The Chair thanked all the presenters for their interesting and enlightening presentations and invited comments from representatives.

59. The representative from Cook Islands referred first to Australia's earlier announcement that it would provide funding of AUD 10 million to support the collection of statistical information in the region. He voiced strong support for further capacity building in this area, saying accurate statistics were an important tool in decision-making. Noting that the remoteness of some islands made collection of statistics difficult, he said there was a need for 'train the trainers' courses to provide support for people in rural areas. In relation to fisheries observers, he said they were dealing with the region's biggest resource. More needed to be done to ensure the region derived greater benefit from the resource, which was being exploited by larger nations. He cited recent instances of illegal fishing by two boats in Cook Island waters. Evidence had been obtained by patrol boats and both fishing boats had voluntarily paid penalties when informed by FFA that their activities were illegal. He said observers needed support for their work in protecting the region's fisheries resources. He compared the present situation, in which benefits were mostly derived from licence fees, to the establishment of OPEC by countries (in the Middle East, Africa and South America) to ensure benefits from their oil resources. He said the Pacific needed a similar organisation for its fishery resources, which were the largest in the world.

60. The representative of USA said managing fisheries was very important. USA had begun negotiations with countries on providing support for local efforts to police national waters. This support would be provided through US Coastguard vessels when in the area. She stressed that disincentives were needed for illegal fishing.

61. The representative of Kiribati noted the effectiveness of the ongoing bilateral agreement between Kiribati and USA. A US Coastguard vessel from Hawaii had assisted in protecting Kiribati waters and a boat fishing illegally in its waters had been fined as a result. He said Kiribati was

working to strengthen the law in this area, e.g. once a ship violated relevant laws it could be confiscated, becoming the property of Kiribati. He also acknowledged Australia's provision of funding for statistics programmes in the region.

62. The representative of Marshall Islands praised SPC's work in monitoring tuna stocks in the region and asked what SPC was doing in relation to conservation of the resource.

63. The representative of New Zealand said that the New Zealand delegation was primarily there to listen to the experiences of other members. She said she appreciated the case histories presented and that their value was evident. She noted that in relation to the Conference theme of maximising benefits at the national level, there was a risk in diffusing the efforts of various development partners, which could reduce benefits. As specified in the Cairns Compact, it was important that there was coordination between regional organisations and other development partners. This coordination could maximise benefits by tying work to international and regional development plans and by ensuring that interventions were based on solid evidence, including statistical evidence.

64. The representative of Niue asked if there was a long-term agreement for PacRICS, what the cost was, if there was bulk purchasing of equipment, and if SPC would be turning the programme over to a private company to manage.

65. The Director-General responded, saying that there was a long-term agreement, with Australia having provided AUD 2 million to secure the satellite hub for the life of the satellite as well as funding for 16 pilot sites and bandwidth for two years. He said that PacRICS was a public/private mix, with SPC handling the public good sites and a private company, Pacific Teleport, handling the others, which were available at the same rates. Bulk purchasing was already being taken advantage of. The overall result was the cheapest Internet access in the Pacific.

66. The representative of Niue asked if there was a limit on the capacity of PacRICS and if the satellite capacity could be expanded if many countries signed up. He also asked if it was possible to use the system to provide Wi-Fi wireless Internet access and cell phone access.

67. The Director-General responded that the satellite had a very high capacity and that the limits to expanding the system would most likely be related to affordability. He said that the system worked with Wi-Fi but not in its present configuration did not work with cell phones.

68. The representative of Niue noted that illegal, unreported and unregulated fishing may in fact be much more common than the 10 per cent estimate mentioned the previous day, and that regulation of fishing was the domain of national governments, while FFA and SPC performed research.

69. The MRD Director responded that although the 10 per cent figure represented SPC's best estimate, the level of illegal, unreported and unregulated fishing was not known. He said that SPC would be starting a project in the next year to try to measure it. He said that SPC views fisheries management as occurring on three levels: national, subregional and regional. SPC provides advice at the national level. At the subregional level, the Parties to the Nauru Agreement work together on some issues, which is necessary as the fish move across international boundaries. At the regional level, the Western and Central Pacific Fisheries Commission (WCPFC) decides on some comprehensive measures, but it can be hard to reach a consensus at that level.

70. The representative of Niue asked if the AUD 10 million funding for statistics in the region could be pooled by island members, noting that smaller PICTs needed to build capacity in the area.

71. The representative of Australia replied that Australia preferred to leave it to SPC to discuss specific proposals, but that in general it was the role of national statistical offices to gather figures and SPC's role to advise on making use of the data.

72. The representative of French Polynesia offered greetings from French Polynesia's President and condolences to American Samoa, Samoa, and Tonga. He said that French Polynesia would be hosting several events of regional significance in the coming months, including a session of WCPFC, which he encouraged delegates to attend. He noted that there would be discussion of fisheries regulation and of illegal, unreported and unregulated fishing at this session. He said that since 2005 SPC had undertaken several initiatives, including JCSs and decentralisation, which French Polynesia welcomed. The two activities were complementary and should be undertaken simultaneously, in relation to the RIF reforms. In closing, he said that French Polynesia trusts SPC to do all it can to represent members and provide services in conformity with the Canberra Agreement.

73. The representative of Cook Islands requested documentation on the SPIN project, which he said he hoped would answer his questions. He said that it was important for PICTs to have appropriate legislation regarding mineral resources, especially those found in the seabed. Cook Islands had received advice from the Commonwealth Secretariat and realised that this area was very important. He also expressed appreciation for the presentation on the atoll agriculture and noted that people living on atolls traditionally survived largely on coconuts, using every part of the plant.

74. The representative of Kiribati said that the Conference theme was very relevant, particularly given SPC's current efforts to identify its core services to member countries and territories and the implementation of the RIF. Kiribati supported careful planning and management of the rationalisation of SPBEA and SOPAC, to ensure that the level and quality of services are not diminished. He said that Kiribati valued its membership in the Pacific Community, and acknowledged that SPC's work contributed substantively to improving livelihoods in Kiribati and to achieving MDGs and sustainable development. Kiribati believed that its JCS with SPC would add value to its partnership with SPC and other organisations, in the same way that the Pacific Plan had. The strategy helped focus SPC assistance on national priority areas in which it had a comparative advantage and beneficial results were already being seen. However, there were still obstacles preventing Kiribati from achieving maximum benefits from the assistance being provided, including capacity constraints and the need to strengthen coordination across ministries and sectors. Kiribati would continue to work to address these obstacles in cooperation with SPC and other partners. He said that the results of the 2008 Family Health and Support Study showed that Kiribati had an exceptionally high rate of violence against women and children in the home. He acknowledged SPC's work in the study and noted that the people of Kiribati were shocked by the amount of abuse that was found to be occurring. He said that Kiribati had made a political commitment at the highest level to address the problem, given that gender inequality and violence were major obstacles to social and economic development. The government of Kiribati believed that a whole of government and multi-sectoral approach was required, and that it was crucial to maintain the momentum that had resulted from the study to implement change with assistance from SPC and development partners.

75. The representative of PNG thanked SPC for all the work that had been done during its long history. He noted that each PICT was unique, with its own ways and needs, and thanked the partners who were part of their development, saying it was important to look to the prosperity of the region. He raised the issue of disaster risk management, and asked if SPC was able to assist with the provision of early warning systems to detect events. He said it was critical for PICTs to be able to monitor, detect and report on events such as seismic activity to help prepare for disasters and avoid loss of life. He noted that Hawaii had such a system and asked if similar national systems could be developed for the region. In relation to the conference theme, he acknowledged the work done by NGOs and churches in PNG and said these organisations were better at delivering some services than government, e.g. work on gender issues. He also acknowledged the value of SPC's joint country strategies, saying that there was value in making SPC activities part of national plans. The strategies provided a monitoring tool and could also help avoid duplication. However, there was a need for improved transparency, e.g. some funds from SPC came from the same donors who were already interacting directly with countries. He said fisheries, mining, economic and social development and infrastructure were all important, but financing was missing. The region needed to be prosperous to develop and that should be a national goal.

76. The representative of Samoa thanked delegates for the sympathy they had expressed on the tragic aftermath of the tsunami and reiterated his thanks to PNG for its pledge of financial support. He extended Samoa's condolences to American Samoa, Tonga and Kiribati on the tragedies that they had also suffered, saying that the recent events had highlighted the vulnerability of small islands to the forces of nature. Referring to the theme of the Conference, he said it posed an interesting question in the present economic environment, particularly in looking at how effectively donor assistance was applied in member countries. He asked if there were flaws in the targeting and delivery of regional programmes, and at the national level, that needed to be fixed to ensure programmes were effective and noted that this was one of the objectives of the Pacific Plan. He said that for SPC it was important to ensure that it was adding value in its delivery of services and that the services were closely aligned with national priorities. He welcomed SPC's JCS initiative, saying that Samoa already had similar strategies with other development partners. He pointed out that the JCS would not only help SPC plan its programmes to align with actual needs, but also provide a way for Samoa to monitor SPC's work to make sure it was addressing these needs. He emphasised the need for SPC to engage in partnerships and dialogue with development partners, other regional organisations and national partners, so that there is coordination of the work being carried out and no duplication. He also stressed the importance of building human capacity at the national level, noting that projects that did not address this need could not be sustainable. In closing, he commended the Director-General's work in streamlining the organisation and pointed out that although the decision to merge much of SOPAC's work into SPC would no doubt result in pressure on SPC in terms of ensuring that efficient delivery of services is maintained, he had no doubt that the organisation would continue to serve the interests of members in the future.

77. The representative of Tuvalu expressed condolences for American Samoa, Samoa and Tonga. He said that the Conference theme was very appropriate in the context of the RIF reforms, noting that as it expands SPC will face challenges in delivery of services. He said that the region's geographic dispersal poses challenges in communication, transportation and trade, but increasing subregional cooperation is helping overcome those. The new shipping service was a good example, as was the start of trade between Tuvalu and Rotuma. The establishment of a central Pacific shipping commission would continue the process. He cited PacRICS, CETC training, assistance in health and fisheries, and the atoll agriculture research as projects that were particularly valuable for Tuvalu.

78. The representative of Wallis and Futuna offered condolences to American Samoa, Samoa and Tonga on behalf of Wallis and Futuna. She noted that the territorial assembly was holding a special meeting to decide how Wallis and Futuna could most effectively provide assistance to victims. She congratulated SPC on the completion of the JCS for Wallis and Futuna, which she said was operating in a positive manner. She noted that when the decision on decentralisation was taken at the Conference in Palau it had seemed that it would be difficult to implement. She said she was glad to see that the decentralisation initiative was meeting members' needs. Decentralisation had been recommended for other organisations as well. She said the process was being carried out in a coherent way and that she hoped it would continue. She noted that it was important to coordinate activities at the national level to ensure that benefits are maximised at the local level.

79. The representative of Vanuatu noted that the history of development of SPC member countries and territories was characterised by remarkable cooperation, and that given the challenges facing the region, even greater cooperation, as well as coordination at the regional and national levels, would be required in the future. On behalf of the government of Vanuatu he recognised the excellent choice made by the government of Tonga for the theme of the Conference. He said the government of Vanuatu supported better coordination of efforts among CROP agencies and international organisations active in the region, and believed that this was key to increasing impacts at the national level. He said Vanuatu also supported development of the JCSs, and noted that this was in line with the Paris Declaration and Accra Agenda for Action, as well as the recent Cairns Compact. Vanuatu looked forward to the formalisation of its JCS with SPC, which would depend on wide stakeholder consultation and analysis of development needs. Vanuatu also recognised the importance of the RIF

process in improving national implementation. He said SPC's decentralisation effort would have positive impacts on service delivery, and that the government of Vanuatu was glad to note SPC intention to have a RRRT presence in Port Vila. Input from member countries would be key to overcoming challenges of decentralisation, as well as achieving sustainability of services, and Vanuatu would invest resources to support SPC work. He noted that SPC had achieved many successes and recognised SPC's support for agriculture in Vanuatu. In closing, he thanked development partners for funding SPC's work.

80. The representative of France reiterated France's confidence in SPC. He said the value placed on SPC's services was evident in the statements made by PICT representatives on the impact of these services at national level and he requested that a similar approach be taken at future meetings to describe impacts in specific sectors such as health. Noting the comments made by the previous speaker on a disaster warning system, the representative said France was funding the installation of tidal gauges in its Pacific territories and in several other Pacific Community members. Information from these gauges would give authorities more time to react appropriately to tidal events. In relation to an earlier comment on the SPIN (South Pacific Information Network) submarine cable network, he said it was a complex, regional project and stakeholders were still being consulted on funding arrangements. There was a considerable amount of work yet to be done but at the end of the recent France-Oceania summit in Noumea, Mr Bernard Kouchner, France's foreign minister, had said 'We'll do it!'

81. The Chair, speaking as Prime Minister of Tonga, noted the comments on disaster preparedness and expressed gratitude to France, Australia and New Zealand for their assistance after the recent tsunami that hit the outer island of Niuatoputapu. In particular, he said the French navy had made two visits to provide vital energy supplies and water.

82. The representative of Nauru said in relation to maximising the effectiveness of aid that the whole nation had been involved in mapping out a strategy for the next 20 years – the National Sustainable Development Strategy (NSDS) – with help from the Asian Development Bank. Every stakeholder had provided input and the aim was to keep to the plan despite changes in government. He said the conference theme held great meaning for Nauru which 'was learning to walk again'. Nauru could not, however, depend on regional organisations such as SPC to take the lead and must discuss with them how they could support the NSDS. He said the joint country strategies were a commendable part of this process. He said Nauru would shortly be reviewing its progress at a donor roundtable and invited all CROP agencies to attend.

83. The representative of Pitcairn said its joint country strategy was a living document that supported Pitcairn's own initiatives. SPC had provided particularly useful assistance on biosecurity. Pitcairn was also seeking help in the area of human rights, specifically prevention of gender-based violence.

84. The representative of USA took the opportunity to thank Tonga for hosting a flawless conference and expressed condolences to American Samoa, Samoa and Tonga on the tragic loss of life caused by the tsunami, and to Tonga and Kiribati on the losses suffered in the recent ferry disasters. She said that clearly SPC plays a vital and widely appreciated role in helping member countries and territories, and administrations to develop strategies and build capacity to achieve their national goals and improve the welfare of their people. She noted that to a degree rarely found in multilateral organisations, SPC's programmes had the full buy-in of its members. The theme of the conference – *Maximising impacts of regional programmes at the national level* – highlighted the importance of SPC's regional reach at a time when many social and economic challenges, such as climate change, were unconstrained by national boundaries. Pacific Island countries and territories were among the most vulnerable to the effects of climate change, including salt water intrusion into scarce freshwater resources; damage and destruction to terrestrial and marine ecosystems; threats to biodiversity; opportunistic invasive species; and threats to agricultural output, catch from fisheries and the maintenance of healthy fish stocks. In the case of low-lying atolls, climate change threatened their



very existence. SPC's plant and agriculture initiatives, combined with tuna tagging and other activities to preserve and develop fisheries resources, were examples of concrete, practical steps to address these challenges. She noted that during her September meeting in New York with many of the Pacific prime ministers and foreign ministers, the US Secretary of State, Mrs Clinton, had announced that US assistance programmes would return to the Pacific. The representative said that over the next few months, the Department of State would consult with Congress to gain input on and endorsement of its plans. She said that it was expected that an in-depth assessment of areas of possible technical cooperation and assistance would be carried out by the end of the year. As these plans took shape, the importance of coordinating with SPC members in regard to their national development plans, and with other donor countries and regional organisations already providing assistance, would be kept in mind. She commented that the theme of the conference reinforced the importance of working with SPC to learn where US assistance could be most useful and to ensure partnerships were established to help address the Pacific's most pressing problems in concert with countries' priorities and strategic goals, and as a force multiplier to ensure US contributions were targeted most effectively. In that regard, she said the US appreciated SPC's efforts to coordinate and communicate with Pacific countries and territories, administrations and donor countries. She concluded by saying that the US remained strongly committed to the Pacific Community and looked forward to working with SPC, as it evolved following the RIF outcome, to face the regional and global challenges of the 21st century.

85. The representative of Fiji said Fiji valued its membership of the Pacific Community and noted that maximising the effectiveness of aid must be an ongoing effort. He cited just a few examples of areas in which SPC had recently assisted Fiji, including a trade/biosecurity workshop; support for crop regeneration after the January 2009 floods; CePaCT's support for building food security as part of climate change adaptation; surveys of fisheries resources; support for pandemic preparedness, particularly during the H1N1 outbreak; and assistance in the organisation of the Second Pacific Youth Festival held mid-year in Suva. He said Fiji was committed to providing SPC with a cost-effective operation. A new host country agreement would soon be ready, and a site had been identified for the Pacific Village for which funding would be sought. He said Fiji was optimistic that the joint country strategy would benefit all sectors and contribute to sustainable national development.

86. The representative of New Caledonia thanked Tonga for its hospitality and joined in expressing condolences to American Samoa, Samoa and Tonga on the losses suffered as a result of the tsunami. He noted that New Caledonia had sent personnel, medical aid and water to Tonga in coordination with New Zealand. The President of the New Caledonia Congress would also be tabling a request for financial support. He commented on the amount of work accomplished by SPC in 2009 and said the presentations by national representatives provided practical examples of the impact of SPC services. Referring to decentralisation, the representative said New Caledonia's government was largely decentralised through its three provinces, enabling it to respond more easily to people's needs. This style of government made service delivery more efficient, but care was needed to avoid duplication. The representative ended by expressing New Caledonia's full confidence in SPC under the leadership of the Director-General and said New Caledonia was proud to support the secretariat.

87. The representative of Niue said that after cyclone Heta in 2004, Niue had greatly appreciated the help of Australia, France and New Zealand. An example of particularly welcome assistance was the delivery of 20 house kits aboard a ship dispatched from French Polynesia. Everything needed to construct the houses, including workers, was provided. In relation to tidal gauges, he said Australia had funded a tidal gauge programme in some countries but not in Niue, and he asked if France could include Niue in its programme. He said Niue's national plan was being implemented but more funding was needed to achieve the plan's goals. Many donor countries and agencies, including SPC, were involved in various aspects of the plan. In this regard, SPC's joint country strategies were an excellent concept and it would be good if all organisations followed suit. He also stressed that development aid must focus on countries' own priorities.

88. The representative of France reassured the meeting that the strategic deployment of tidal gauges was coordinated by a UNESCO special commission. PICTs were protected by distant tidal

gauges that enabled a warning to be given before a tidal event struck their shores, and gave them sufficient time to react. Similarly, the tidal gauges located on their coasts provided information that benefitted other countries.

89. The representative of RMI said it was gratifying to hear the support for SPC's work and he thanked the development partners who made it possible. He welcomed, in particular, the strengthened participation of the US in the organisation.

90. The representative of Solomon Islands said that in terms of the impact of SPC programmes at national level, the implementation of the OLPC project was an outstanding example. The pilot project showed the potential of enabling access to digital communication, even in a remote village. Such technology could have huge positive impacts at the rural level. He stressed, however, the need to put a proper implementation model in place to ensure the initiative was sustainable in the long run.

91. The representative of Tonga thanked delegates for their kind words and condolences. He said Tonga was about to sign its joint country strategy for 2009–2013. The concept of the strategies fitted well with the first pillar of SPC's corporate plan, which was an increased focus on members' priorities. The strategy identified Tonga's priorities and was based on its national plan. The activities of SPC's Land Resources, Public Health and Social Resources Divisions were particularly important for Tonga in terms of capacity building and provision of funding. The joint country strategy approach would assist in maximising the effectiveness of SPC's in-country activities and would also promote greater collaboration between Tonga and SPC, and between Tonga and other CROP agencies.

92. The Director-General thanked representatives for their feedback and support and for their acknowledgment of SPC's development partners. He said the presentations from representatives of national institutions on the effectiveness of regional programmes had been enlightening and similar presentations would be organised for other meetings as France had suggested, particularly in the health sector, which affected all members. Several delegates stressed the need for SPC activities to be linked to national sustainable development plans. He noted that these plans were in fact a starting point for the development of each joint country strategy. However, this process also required improved national coordination – SPC wanted to present one report to government, not separate reports for each of the 14 sectors in which it worked. An effort was also made to link SPC's activities to those of other agencies, though this presented challenges. For example the joint country strategy mission to Tokelau had involved 10 agencies, which created difficulties in developing the strategy because different levels of decision-making became a factor. The concept of the strategies was developed following the 2005 review of SPC, which concluded that the total impact of the organisation's work was difficult to assess because programmes were implemented in individual sectors. In contrast, the strategies promoted a 'whole of SPC' approach' and an emphasis on cross-sectoral activities where applicable. The Director-General then addressed specific points made by delegates. In answer to Cook Islands' comments on economic drivers, he said the SPIN project was originally only intended to benefit the French territories. SPC's role has been to provide information and facilitate discussion between other countries and the project developers. He said that the mineral sector came under SOPAC at present, but SPC would have a role from June 2010. In answer to Nauru, he agreed that the joint strategy should follow Nauru's 20-year plan and that it should therefore be updated. He acknowledged the US statement of renewed commitment to the region and thanked New Caledonia for its continued level of support. He agreed that decentralisation needed careful management, also noting Tokelau's point that it must not be at the expense of service delivery. The Director-General acknowledged the statement made by Samoa. He said Samoa had been asked if SPC should drop any of the services it delivered there but the answer was no. He said that while decentralisation and joint country strategies were very efficient mechanisms for delivering SPC services, there was a need to ensure they were also cost-effective.

## DECISIONS

93. Conference:

- i. expressed appreciation for the presentations made by representatives of national institutions and non-government organisations, noting that the benefits they described showed the impact of SPC's work, and requested that similar presentations on specific sectors such as health be made at future meetings; and
- ii. directed the Secretariat to ensure that the changes following on from the RIF reform result in further enhancement of services at national level.

### **AGENDA ITEM 5 – THE ‘CAIRNS COMPACT ON STRENGTHENING DEVELOPMENT COORDINATION IN THE PACIFIC’: IMPROVING THE IMPACT OF DEVELOPMENT ASSISTANCE**

94. The paper was presented by the Secretary General of PIFS. At their 40th meeting in Cairns, Australia, on 6 August 2009, Forum Leaders adopted the Cairns Compact to help lift the economic and development performance of the region. The key objective of the Compact is to drive more effective coordination of available development resources from both Forum island countries and all development partners, with the aim of achieving real progress on the MDGs. The Compact is based on the recognition that broad-based, private sector-led growth is essential to achieving faster development progress and that donors should encourage the private sector, e.g. through micro-finance and support for larger-scale private sector projects. It also recognises the need for more investment in infrastructure to underpin economic development and for a revitalised commitment to the achievement of the MDGs in the Pacific. The Compact calls for Forum island countries and development partners to deliver annual reports on development progress including progress towards achieving the MDGs.

95. The Director-General of SPC said that as an organisation with a broader membership than the Forum, the Pacific Community had a particular part to play in supporting the Cairns Compact. He asked the Conference to endorse this role, noting that resources would be needed. He said SPC had the expertise and experience to support the implementation of the Compact, especially through its work in supporting the efforts of countries and territories to meet MDG goals across several sectors. It was currently also finalising a major initiative to improve the availability and quality of development data (statistics) in the region. The Director-General expressed his appreciation for Australia's commitment of funding of AUD 10 million for this work, which was announced earlier during the meeting. He said that in addition to the specific technical contributions it could make to the Cairns Compact, SPC was a major development partner for Pacific Island countries and territories and donor agencies and would continue to work with PIFS and other partners to improve development cooperation in the region.

96. The representative of the US said the goals of the Cairns Compact were admirable. There were synergies between SPC and PIFS and the spirit of the post-Forum dialogue was to support each other and make the most effective use of resources. She stressed, however, that SPC was not a subset of the Forum. It had a different history and membership and was a separate organisation that must not be subsumed by the Forum. The representative said that this was not a critical judgement of the Forum. The US supported partnership between SPC and the Forum, but the language used to describe the relationship must be crafted to reflect that they were separate organisations.

97. The representative of Fiji said that Fiji had not officially endorsed the Cairns Compact and therefore could not support the recommendation as presented in the paper.

98. The representative of Cook Islands said that, according to his own understanding, there had

always been the intention to expand the membership of the Forum, but for some reason current Forum members had reservations about bringing more members into the family. He noted that at the Nadi meeting with the EU, other countries and territories showed what their relationship with the EU involved and the advantages of that model. He said that since the issue had been raised by the US, perhaps the Forum needed to look at its membership, e.g. French Polynesia had in the past indicated that it would like to be a member.

99. The representative of Niue said the provisions of the Cairns Compact would increase awareness of what the Forum was doing and what SPC was doing, and would help avoid duplication of effort and resources. He said the only question before the present meeting was whether members agreed with the Compact. In Niue's view, even if some members did not agree with the whole Compact, the general principle was acceptable.

100. The Chairperson noted that although all members might support the principles of the Cairns Compact, some might have difficulty with the present wording of the recommendation, as alluded to by the US representative.

101. The representative of Cook Islands suggested the wording could be altered.

102. The representative of PNG said that the Cairns Compact had been signed by Forum Leaders and asked if it was therefore binding on regional organisations. He suggested that the Conference could note the agreement. Pacific Community members who were also members of PIF could use the Compact to avoid duplication and to ensure all SPC programmes complemented other efforts.

103. The representative of the US suggested changes to the wording of the recommendation that would make it acceptable to all members.

104. The representative of Australia said the Cairns Compact was endorsed by metropolitan members of PIF. It represented a way of working together and getting behind country leaders to ensure all resources were used to achieve country objectives. In terms of avoiding duplication, he said SPC had the capacity to provide a statistics-based account of the whole region, rather than only part of the picture. He acknowledged that SPC and PIF had a considerable number of members in common, which made for an interesting organisational set-up. The Cairns Compact was aimed at promoting a spirit of cooperation in achieving Pacific development. There was international agreement that this was the most effective way to proceed. SPC's contribution to the Compact should not require a serious redirection of SPC's resources.

105. The representative of France said that as a member of the post-Forum dialogue, France had agreed to the Cairns Compact and supported the approach it promoted. However, France would like to see a change in the existing wording of part (ii) of the recommendation, which requested increased resources for SPC's contribution to the Compact.

106. The Director-General responded to members' comments by noting that 16 SPC members were also PIF members, and 10 were not. The two organisations of course had different governing bodies, and it was important that the Secretariat received clear directions from the Conference. He stressed that as a point of principle, SPC worked collaboratively with all agencies. Statistics and the achievement of the MDGs were part of SPC's core business, and the organisation would continue working in this area, as it had been doing. However, it wished to cooperate with the Forum in seeking to achieve the aims of the Compact.

## **DECISIONS**

107. Conference:

- i. endorsed the goals of the Cairns Compact and encouraged the Secretariat to contribute to its successful implementation in collaboration with the Pacific Islands Forum Secretariat;
- ii. noted that additional resources may be required to support the contribution of the Secretariat to the Cairns Compact; and
- iii. agreed to participate in ensuring that the capacity and resources of the Secretariat are enhanced to support its contribution to the Cairns Compact.

### **AGENDA ITEM 6 – FINANCIAL YEAR 2010 BUDGET**

108. The Director-General presented the SPC budget for the financial year ending December 2010. He said the budget was a balanced one that also reflected the transfer of SPBEA and most of SOPAC's functions to SPC from 1 January 2010 and followed SPC's new organisational structure. However, due to time constraints, the Secretariat was unable to fully integrate all financial information relating to these new components in its budget document, and the information had therefore been included in an addendum. Total anticipated income and expenditure for 2010 was 68,418,000 CFP units, comprising combined core budgets of 14,150,600 CFP units and non-core budgets of 54,267,400 CFP units (programme funding: 9,319,400 CFP units; project funding: 44,948,000 CFP units). For 'pre-RIF' SPC (i.e. without SOPAC and SPBEA), the Secretariat proposed a balanced budget of 51,666,500 CFP units, comprising a core budget of 11,323,400 CFP units and non-core budget of 40,343,100 CFP units (programme funding: 7,337,000 CFP units; project funding: 33,006,100 CFP units). He noted that since the budget had been prepared, funding had been received from Australia for SOPAC's climate change programme and from AusAID for RRRT (Pacific Regional Rights Resource Team). The 2010 non-core budget was lower than for 2009, mostly due to the completion of projects including Marine Resources projects worth 5 million CFP units. He said the 2010 budget did not include any provision for the payment of income tax by Fiji nationals working for SPC, as the Secretariat's position was that any extra cost to the organisation should be borne by the host country, which would be the sole beneficiary of the additional tax revenue. If income tax was imposed, salaries of locally recruited staff would need to be increased to ensure they remained comparable with the local reference market. The Secretariat estimated this cost at approximately 185,000 CFP units per year (FJD 420,000). He said the tax issue will be negotiated during the development of the new host country agreement, with a view to also harmonising arrangements for the SPBEA and SOPAC staff who will join SPC from 1 January 2010.

## **DECISION**

109. Conference approved the proposed budget for financial year 2010.

## **LAUNCH OF PACIFIC ECONOMIC SURVEY REPORT**

110. During lunch the meeting heard a presentation on the 2009 Pacific Economic Survey conducted by AusAID.

111. The representative of Cook Islands noted that fuel prices in Cook Islands were among the highest in the world and that although there had been an attempt to remove nearly all import levies, prices had not decreased. He said that Cook Islands imports considerably more than it exports and pointed out that the large number of Cook Islanders living in Australia and New Zealand used to send

large remittances but that as time went by the amounts being sent to Cook Islands decreased. He said that Cook Islands had very limited means to invest in development of infrastructure to support economic development and he noted that banks charged higher interest rates in Cook Islands than in New Zealand. He also said that many countries depended on revenues from trade levies, and that decreasing levies to promote development led to a loss of revenue. All of these factors worked against development in small island states in the Pacific.

112. The presenter said that in the Pacific, and the developing world, Cook Islands was considered a success story and that its people and government should be proud. In developing economic infrastructure, it was necessary to work with partners.

113. The representative of Niue thanked the presenter and said that dependency on aid had contributed to failure of economies in the region, and that governments had wondered what to build their economies on, sometimes trying agricultural products that later collapsed. He pointed out that many countries had finance and tax systems that did not focus on bringing in revenue to sustain the government because they were dependent on aid. Hence, he said, it was necessary to reform these systems at the same time that basic infrastructure was developed. It was important for the region to become much less dependent on fossil fuels. Studies, particularly on markets for tourism, would be very helpful as governments in the region did not have the capacity to perform such studies themselves. Lastly, he noted that island farmers should focus on producing food for local consumption rather than for export.

114. The representative of PNG thanked AusAID for undertaking the study and providing reliable data. He said that although countries may seem on paper to have wealth, in practice there were still pockets of poverty and considerable resources were still required to develop social infrastructure. He noted that the study would be useful in national planning.

115. The representative of Samoa noted that according to Samoa's data, the country ranked higher in measures of progress against MDGs.

116. The representative of French Polynesia pointed out that although the study included Timor Leste it left out about one-third of the region because it did not include territories like French Polynesia. He said that this limited the usefulness of the study, and that he hoped SPC would do whatever was necessary to ensure that part of the region was not forgotten.

117. The representative of Australia responded that AusAID decided not to include the French territories because they felt that it would not add value given that France undertakes similar data collection and analysis. He emphasised that they were not excluded on political or other grounds.

118. The Director-General noted that this was an AusAID publication and said that SPC would be happy to work with French Polynesia and others.

#### **AGENDA ITEM 7 – EVALUATION OF DIRECTOR-GENERAL'S PERFORMANCE FOR THE PERIOD 2008/2009**

119. This session was held *in camera*.

120. The Chairperson indicated that Conference, meeting in camera, had accepted CRGA's unanimous recommendation that the current Director-General be reappointed for a third two-year term. He said Conference had every confidence in the Director-General's performance and would reappoint him for another term.

121. The Director-General expressed his sincere appreciation to Conference for their confidence in his stewardship, saying that his performance reflected the quality of SPC's staff. He particularly

acknowledged the work of the executive team and he said he would be honoured to accept the leadership of the Secretariat for a third term.

#### **DECISION**

122. Conference noted and unanimously approved the recommendation by CRGA 39 that the Director-General, Dr Jimmie Rodgers, be reappointed for a third two-year term. In doing so, Conference stated that it had every confidence in the Director-General and commended him highly on his performance.

#### **AGENDA ITEM 8 – YEAR 2011 CONFERENCE**

#### **DECISION**

123. Conference accepted an offer from the Republic of the Marshall Islands to host the 7th Conference of the Pacific Community in 2011.

124. Conference also noted an expression of interest by Cook Islands in hosting the 8th Conference of the Pacific Community in 2013.

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

125. None.

#### **AGENDA ITEM 10 – ADOPTION OF THE COMMUNIQUÉ OF THE 6<sup>th</sup> CONFERENCE OF THE PACIFIC COMMUNITY**

#### **DECISION**

126. Conference adopted the communiqué summarising its deliberations and decisions.

#### **CLOSING**

127. The Director-General acknowledged the participation of government leaders, deputy leaders and ministers in the 6<sup>th</sup> Conference, saying that it was the first time in his four years as Director-General that a head of government and deputy head had been chairperson and vice-chairperson respectively of the meeting. He expressed appreciation for this higher-level of representation, noting that generations of Pacific leaders had played an essential role in the development and direction of 'their organisation'. He thanked the Kingdom of Tonga for the warmth of its welcome and generosity of its hospitality, in particular thanking Her Royal Highness, Princess Salote Mafile'o Pilolevu Tui, for gracing the opening ceremony. He said SPC was indebted to the Tongan government staff who had provided such outstanding support for the day-to-day operation of the meeting. Finally, he acknowledged the Conference Chairperson, the Prime Minister of Tonga, for the excellent way in which he had directed the proceedings and asked him, on behalf of his government, to accept a wooden sculpture and a bound volume of historic photographs relating to Tonga from SPC's special collection.

128. The representative of Niue spoke on behalf of members in thanking Her Royal Highness for opening the conference and the Kingdom of Tonga for its hospitality. He congratulated the Chairperson for his conduct of the meeting and for allowing room to debate the important issues on

the agenda, saying that his guidance would contribute to ensuring successful outcomes from the meeting. He also congratulated the Director-General on his reappointment. He said he was impressed with the work that he and his staff had accomplished on behalf of grassroots people. He also thanked other organisations that were represented at the conference. He noted that the region should avoid setting up further organisations but should rather focus on streamlining the size and number of organisations, as had been decided on as a result of the RIF process. He ended by expressing his best wishes to the leaders of all the countries and territories represented at the meeting.

129. The Director-General thanked the Premier of Niue for his remarks and also thanked all the regional organisations represented at the meeting for their partnership. On a personal note, he expressed sincere appreciation for the condolences offered to him on the loss of his father.

130. The Chairperson thanked both speakers and acknowledged the contribution of all representatives to the meeting's success. He thanked the Premier of Niue, the Deputy Prime Minister of Cook Islands, the Vice-President of FSM, and government ministers for participating in the 6<sup>th</sup> Conference in response to SPC's request for higher-level representation of members. He said it was heartening to receive their expressions of support and guidance for the work of SPC. He especially noted the USA's renewed level of commitment to the region as stated by its representative, and Australia's announcement of funding for statistical development. He complimented the Director-General on his achievements over the previous four years and said his reappointment was evidence of the value members placed on his leadership. He said the task was not an easy one, especially with limited resources and organisational mergers, and the meeting's unanimous approval of a third term spoke volumes. He told representatives Tonga had welcomed the opportunity to host them and looked forward to seeing them again. On behalf of His Majesty's Government and the people of Tonga, he wished everyone a safe trip home, and saying '*malo 'aupito*,' declared the 6<sup>th</sup> Conference closed.