

SECRETARIAT OF THE PACIFIC COMMUNITY
THIRTY-FIRST MEETING OF THE
COMMITTEE OF REPRESENTATIVES OF GOVERNMENTS AND ADMINISTRATIONS
(Republic of Nauru, 14-16 November 2001)

YEAR 2001 – DIRECTOR GENERAL’S REPORT

(Paper presented by the Director General)

INTRODUCTION

1. This report is meant to provide Members with a summary of the major highlights of the activities of the SPC for the year 2001.

It will cover major corporate highlights, and present a general overview of programme activities. It is not my intention to go into great detail here as we do in the corporate annual report, but to give you a bird’s eye view of the developments of the SPC over the year. This report will also briefly touch upon the follow-up work from last year’s CRGA meeting.

2. You may have noticed that we have been trying throughout the year to keep Members informed of our current activities largely by visiting some Member countries and territories and through the SPC Executive e-mail newsletters. The electronic bulletins have been going out regularly to our official points of contact and they contain up-to-date information on corporate and programme developments. It highlights staff missions so that you know what your Secretariat is up to in countries and territories. So far, we’ve received positive comments on this new communication system, but if you have any suggestions on how we can further improve it, they are most welcomed.

Our official communications through meeting announcements, recruitment notices and Circulars are also regularly disseminated through e-mail. Another effective communication vehicle is the SPC website that contains an enormous amount of technical, programme information and is increasingly popular. It’s important that Members know what is happening in this organisation, so we’ll keep at it, always looking for better ways in getting the word out.

THE YEAR 2001

3. It’s been an eventful year for the Secretariat with a full agenda that included a comprehensive organisational review, and several programme and project evaluations. The SPC calendar was busy with regional technical meetings covering our major sector programmes - fisheries, agriculture, and health – and other programme areas as well.

It has also been a year of challenges, particularly on the financial side, and the usual difficulties that organisations of this nature and size normally face. Despite the usual - and sometimes unusual - pressures, the SPC is still going strong, and in good shape. Staff continues to demonstrate strong output, and the quality and level of our island services are constantly being lifted. Members and donor partners place great confidence in the SPC.

4. The SPC staff is a group of very dedicated, quality professional and support staff that remain strongly committed to regional service. I've been very impressed with their spirit of co-operation and teamwork, many contributing their time to corporate development through the Policy Advisory Teams that we set up last year and that are now up and running. The staff here feels very much a part of the SPC and wish to do their share in making this a better organisation. There's a good environment that exists at the SPC today.
5. My Executive team – Jimmie Rodgers, Yves Corbel, Tim Adams, Louni Hanipale Mose and Richard Mann - are some of the region's most dedicated professionals who are committed to keeping the SPC moving in the right direction and to improving the services we provide to the region. They are united in purpose, extremely motivated, and very focussed on a vision for the SPC, that of a vibrant and dynamic organisation for many years to come. The team is close-knit, very supportive of one another, very committed to the SPC, and a pleasure to work with. I am truly blessed to be surrounded by such fine professionals on my team.

We started early in the year planning the agenda for the year at the Executive retreat held in Fiji. It was a fruitful session that enabled us to identify and discuss the major challenges ahead for the organisation, culminating in the retreat's most important outcome, being the policy programme for the year.

6. This year, we set to tackle our list of high priority tasks which were to:
 - progress the SPC-SOPAC integration study;
 - plan for the implementation of the new CROP Remuneration system at the SPC;
 - develop important financial policies that are critical to our operation;
 - begin the process of updating the Corporate Plan;
 - continue our sectoral strategic planning exercises; and
 - do the scheduled evaluations of SPC programmes/sections and prepare for the AusAID review of the SPC.

It was an ambitious agenda that we aimed to develop and present to the November CRGA/Conference for consideration of the issues. You will note the November meeting agenda features them all. The development of these issues certainly kept us busy throughout the year, some of which we will carry into the next year.

7. I am pleased that our SPC Suva staff has become more involved in policy formulation, with Jimmie and some of his senior staff joining us at most of the Executive meetings.

The SPC Suva-Noumea link is as strong as ever. Communications and information sharing is much improved over the years, partially as a result of better technology such as our ComET satellite system. You'll be interested to know that ComET continues to operate well, still serving our needs and saving us some money in communication costs.

For the most part, the improvements in SPC Noumea-Suva communications are a result of the greater awareness and commitment by everyone in the SPC to ensure that the two offices operate as one corporate entity. Our Noumea programme support units, such as Publications, have provided increased support to the Suva-based programmes this year. And of course, Jimmie continues to give excellent support to Noumea-based programmes in dealings with SPC Suva and other partners.

8. Talking briefly about Jimmie, it was fortuitous this year that he was able to open some doors to potential funding possibilities for our work programme activities during visits to the US and Europe. While on US Government's invitation in May, he visited with several private sector philanthropic foundations that are already funding some of our programme activities and that we are hoping to interest in other work areas. So far, the SPC has been able to obtain substantial funds from two private foundations for SPC activities in reproductive health and fisheries. We will certainly pursue this new direction next year, using perhaps a more professional approach to marketing the SPC and our work programme.

Jimmie was later in Europe talking to our donor partners – the EU, Germany, UK and France – on their continuing support to the SPC. Donor support from our European friends feature prominent in our work programme next year. He was also able to brush up on his French language skills, at the invitation of the Government of France.

CRGA AND CONFERENCE

9. The main issues stemming from last November's CRGA meeting in Noumea that required follow-up this year include:
 - The SPC/SOPAC integration study
 - CROP Remuneration system – The SPC implementation plan
 - Negotiations with New Caledonia on Privileges and Immunities agreement
 - Financial policies
 - Depreciation of fixed assets
 - Project management fees

You will note from the agenda and working papers for the CRGA meeting that good progress on these issues has been made. The issue of Associate membership, however, is not being pursued further by the Secretariat. Instead, we will focus on other mechanisms to ensure recognition of our non-member donor friends, as suggested by the meeting last year.

10. The major policy issues for this November's CRGA and Conference will largely focus on regionalism and financial policies, including the SPC/SOPAC relationship, the implementation of the new CROP remuneration system at the SPC, and issues such as the "same nominal" budget approach and SPC reserves, among others.

The meetings will also be asked to evaluate my performance over the past two years and decide on the question of a renewal of contract that I am formally seeking.

CORPORATE DEVELOPMENTS

11. **Staffing.** The latest statistics show that staff numbers at the SPC this year are slightly lower than last year, as several large projects including the Pacific Vector-borne Disease project that had a staff complement of about 15 ended this year. We are expecting the numbers to climb back to its average strength of approximately 230 with the new EU-funded research projects in Fisheries coming on line by the end of the year.

The staff numbers as at 1 October 2001 show the total staff complement is 219, of which 135 are based in Noumea and 84 are either based in or managed out of Suva. We have 122 professional staff and 97 support staff at this time.

12. There are two areas in SPC staffing for which I regularly monitor and report to CRGA/Conference, that being gender and Pacific Islander. As Director General, it is my personal responsibility to ensure there is a balance with professional islander staffing while maintaining the integrity of SPC's merit-based selection process.

I am happy to report that the Pacific Islander percentage in the SPC is still holding at about the same level as last year - 38% of the total professional staff level, or 46 out of 122. You may recall that when we first started keeping track of the numbers in 1997, that figure was 34%. This demonstrates that the SPC continues to attract strong, well-qualified applicants from the Pacific region.

With regard to the percentage of women in the professional category, that too is quite stable at 34%, which represents 42 of the total 122 professional staff in the SPC today. Last year's percentage figure was exactly the same.

13. We have had the usual professional staff movements throughout the year that are common in organisations like the SPC with its contract appointment system. The areas of greater stability among our senior positions are mostly in the Oceanic Fisheries programme where top scientific research posts are not easily replaceable.

You may note that the SPC Executive newsletter carries, on a regular basis, up-to-date information on staff developments, including recent appointments and position vacancies. I won't repeat the entire list of new staffing appointments in this report, although I should draw your attention to a few of the key ones.

- Dr Tony Lewis, from Australia, is starting his twelfth year with the SPC, following his re-appointment in September to head the Oceanic Fisheries Programme.
- Valerie Tuia, from Samoa, took up the position of Curator of the Regional Germplasm Centre in Suva in August.
- Leonie Smiley, from New Zealand, was appointed in June as Deputy Team Leader of the Pacific Action for Health project.
- Samuelu Taufao, from Samoa, came to the SPC in April as the Manager of the Information Technology unit, after having served with FFA.
- John Yee Chief, from Fiji, came to SPC from the University of the South Pacific to become the Finance Manager of the Suva office in March.
- Arthur Jorari, from Papua New Guinea, took up the position of Population Specialist in the Demography/Population programme in January.
- Stephen Angus, from UK, joined the SPC in January as the Veterinary Epidemiologist.
- Dr Rufina Latu, from Fiji, joined the SPC in January as the new Population Adviser heading the Suva-based Adolescent Reproductive Health project.
- Amelia Siamomua, from Tonga, came to the SPC from ForSec, and took up responsibilities as the new Women's Development Adviser in January.

At the time of this writing, we were in the final stages of the selection process for other key staff positions, including the Manager of the Public Health Programme, and the Aquaculture Adviser in Coastal Fisheries.

14. There are additional staffing matters of importance to the organisation this year. The first is the secondment from AusAID to the Planning Unit. Grant Morrison took up the position of Planning Adviser in September for a period of one year. The SPC and AusAID have agreed to review this arrangement again next year for a possible extension. This arrangement is valuable assistance to the Planning unit that has faced an increased workload over the years. The Planning unit continues to be a success story in the SPC, still making a significant impact on and positive contributions to SPC's corporate and programme development.

The other is an arrangement between the SPC and ICLARM, a long-time NGO partner in inshore fisheries. This has led to a new joint project on sea cucumber in New Caledonia and recent appointments of staff, with Steve Purcell, from Australia, taking on the position as Team Leader and Deborah Gardner as Senior Aquaculture Associate. The SPC has agreed to host the project at its Noumea headquarters, pending ICLARM's request to the Government to establish a regional presence in New Caledonia.

15. Before leaving this area of staffing, I would like to mention a great loss to the SPC this year in the passing of an SPC colleague Fizin (Fiz) Xenié, whose service with the organisation began in September 1979 in the Printery section. Those of you who have attended past Conferences throughout the region would have come to know Fiz – hard-working and dedicated, always with a friendly smile and a heart of gold. The SPC mourns the loss of a valued colleague.

16. This is a year of excellent staff involvement in the corporate development of SPC. A number of staff has volunteered for Policy Advisory Teams that we established last year to help formulate policy and that are now in full swing. Currently, the enthusiastic groups are working on staff-related policy issues of recruitment, training and staff appraisals, which we hope to finalise by the end of the year.

There are two internal Working Groups on Remuneration issues that have been extremely helpful this year, particularly in addressing the new CROP harmonised system and its implementation at the SPC. My personal gratitude to them for their time and excellent service – professionalism at its best at the SPC.

17. Our regular staff committees – the Staff Advisory Committees in Noumea and Suva and the Residents Committee – also remain very active. Representatives from these groups are regularly invited to the Executive Committee meetings, as their input on staff matters affecting them makes for better-informed decisions. I believe the staff enjoy this consultative and participatory process, and appreciate this environment of openness and transparency that prevails at the SPC.
18. **Finance.** This has been a very busy year in managing SPC's finances. You should know that the state of SPC's financial condition is still quite strong, but is becoming more strained, as the call on our financial resources continues to mount. Members can remain confident of the SPC's financial health. Currently, there is no crisis that requires urgent attention, however, there are a number of challenges that necessitate constant monitoring and prudent management on our part.
19. One of the more difficult issues this year has been the impact of currency movements on the cost of operations, particularly on projects receiving extra-budgetary support, but also on core-funded activities. At the SPC, operational costs are based on different currencies. In our daily operations, we regularly deal in different currencies. And while there are frequent movements in currency exchanges that are beyond our control, we have to remain diligent in monitoring the fluctuations and in managing their adverse impacts. In this area, our task has been assisted by the flexibility that our donor partners have shown in non-core funded areas by helping to minimise the impacts. Our programme leaders also recognise the continued need to manage tight budgets that may be subjected to further squeezes from exchange movements.
20. There are a number of important financial policy issues that we will be putting before CRGA/Conference this November, most of which emerged from last year's meeting. I won't go into the details of the policy considerations in this summary report, only to state that the issues are of critical importance to the Secretariat for the sound financial management of the organisation.
21. The current SPC financial picture is bright, given its strong assets base and a healthy level of reserves. Our properties in both Suva and Noumea continue to be well-maintained and managed, and have not required financial support from the core budget in recent years. The Noumea housing management is fully self-supporting with a budget of more than 1 million CFP units that still enables the gradual payback of the loan from SPC core funds that was required at the onset of the housing loan repayment schedule. The SPC Canteen in Noumea also operates self-sufficiently.

While I'm on property matters, I should briefly mention the SPC's newest tenants at the Noumea headquarters, ICLARM – the World Fish Center – that started up in September.

Promising news from Fiji on the Pacific Village project. The new Fijian Government has indicated it will put the project up to Cabinet in early November for funding consideration. There's renewed optimism of a possible 2003 completion.

22. Our reserves are currently at a comfortable level, with about 60% of the total set aside for specific purposes and 40% in the General Reserves fund that can be available for use, with the approval of CRGA/Conference. We have also set aside sufficient provisions to cover staff-related liabilities related to contractual entitlements.
23. This year, the biggest financial challenge faced by the Secretariat was dealing with the “catch-up” salary adjustments for Noumea professional staff, which has resulted in a much tighter squeeze on our existing budgets. Members may recall from the July Circular I sent out on remuneration issues that these adjustments were necessary in order to rectify a serious problem dating back to July 1999. The problem was that Noumea professional staff were receiving salaries that were lower than what they were supposed to be paid.

We discovered this problem when we were looking at the new CROP Remuneration system, trying to determine the financial implications for its implementation at the SPC. I immediately formed an internal working group, which ended up being very instrumental in carving out the proposed SPC implementation plan that is before the November CRGA for consideration, and in recommending solutions to the salary problems. Throughout the exercise, the working group was mindful of SPC's financial situation and they were able to keep staff in the information loop.

It was truly a collective effort on the part of all staff that led to remedying the salary problems. The solutions were not necessarily without great impact on SPC budgets, both current and future. In order to find the significant amounts required for the adjustments, we looked within our existing budgets. It was an exercise of re-prioritising our operational needs and staffing requirements, making necessary cuts wherever possible. We would also have to sustain these costs in future budgets, so that has required us to do some mid-term financial planning. We have also refined our administrative and financial management systems, so that we would never have to face a problem of this nature again in future years.

24. The “catch-up” salary adjustments were indeed quite significant, although I have to point out that there are great financial challenges looming ahead for the SPC. Next year, we are hoping to implement the new CROP remuneration system, which will require significant resources. At the November meeting, Members will be asked to consider several funding options to enable implementation, including an increase to Members' assessed contributions.

In our plan, the Executive is proposing to phase the implementation of the new remuneration system over a two-year period, in recognition of the increased funding requirements of the new system, and our current financial state. I am very mindful that the SPC is about the only CROP agency yet to put this new salary and benefits system into effect, so it's important to implement it at the SPC as soon as practical to achieve harmonisation with the other agencies. We're targeting 1 January 2002 as the scheduled implementation date. But I am also aware that being the largest CROP agency, the SPC would require even greater resources than other organisations in order to effect the new system. Although staff would naturally prefer implementing the full package with its new level of benefits as soon as possible, I believe they understand the need to phase the implementation over two years. I am proposing that they make this sacrifice.

25. Given these challenges, it's not going to be an easy road ahead in managing SPC budgets, but I am confident it can be managed, with great care, and prudence. With the support of everyone in the organisation, I am confident we can ensure that the SPC remains an effective organisation in delivering services to island Members, that operates with greater efficiency and tighter financial controls.
26. **Membership.** There isn't anything new on the SPC membership front.
27. **SPC's donor relationships.** I am pleased to report that SPC's relationships with donors, both our long-standing partners and our new donor friends, remain quite strong. In addition to strengthening the partnerships with our traditional donors, this year the SPC has forged new relationships with other supporters who are new to the organisation, namely US private sector, philanthropic foundations. As mentioned earlier, the SPC will be making a concerted effort next year to explore this new area of funding support for our work programme activities.
28. With regard to our donor members, successful annual consultations have been completed with France and New Zealand, who are maintaining their current level of funding into the coming year. The high level consultation with Australia will take place following the November CRGA/Conference. This will be an important one for us, as we plan ahead to renew the SPC-AusAID MOU for another three-year period. The outcome of the recent AusAID review of the SPC will no doubt influence this process.

Talking about the AusAID review of the SPC, I should mention that the SPC fully welcomed the independent review of its administration and operations this year, the last corporate-wide review having been conducted in 1996. We see it as an opportunity to re-focus on areas that need to be improved or refined, some of which we have already begun to tackle. I must thank Richard Herr and his team for a remarkable job, and AusAID for the co-operative approach to the exercise.

I am taking the initiative to present the Executive summary of the review report, once finalised, with the Secretariat's comments on the recommendations to the November CRGA meeting. I am inviting AusAID to also speak to the review at the meeting.

I hasten to add that although the review report is not yet final, our overall assessment of the draft report is very positive. Many of the recommendations are fully in line with plans that the Secretariat had described to the team.

29. The European Union gave the green light this year to SPC to begin the long-awaited fisheries initiatives in Reef Fisheries science and tuna research. The SPC agriculture projects are still in the pipeline for final development, and at this stage, it's looking very promising.

It's also a pleasure to report that Germany has confirmed its continuing support to an existing programme in forestry for the next three to four years. And although the UK's aid programme to the Pacific has been scaled back and has just a couple of years remaining, the SPC continues to receive British funding support, particularly in Maritime training for Pacific seafarers.

Our north Pacific donors of Japan, Korea and Taiwan show continuing interest in projects implemented by the SPC. I should also mention the UN agencies, particularly UNFPA that is providing substantial support to the SPC in the area of Adolescent Reproductive Health for the next four years.

30. You will note in our budget papers that the SPC is receiving a substantial amount of Non-Core funds for our work programme activities – about two-thirds of our entire budget - however, the total has definitely leveled off in the past two or three years. The task ahead for the Secretariat is to at least maintain this level of funding support from our donor partners. In order to do so, we must continue to further refine our professional approach to development funding that meets donor requirements. This would ensure our capacity to deliver regional services.
31. **Inter-regional agency collaboration.** The SPC is doing quite well in its relationships with other regional organisations, not only with our colleagues in CROP (Council of Regional Organisations in the Pacific), but also with United Nations agencies, and other groups working in the Pacific, including non-government organisations.
32. We actively participate in CROP working groups that have been set up along sectoral lines to co-ordinate inter-agency activities, especially in areas that overlap. Some of the working groups have been quite busy, and effective, as mechanisms to develop regional positions on issues that cut across the work of the various agencies. These groups can be particularly helpful to regional delegations in international processes.

As some of you may not be too familiar with the current inter-agency work involving the Secretariat, we will be presenting an information paper at the November CRGA meeting with an update of the CROP working groups and other collaborative efforts. It's important that you know about some of this work. It's especially important that you know that the SPC's involvement in these groups is firmly driven by the views and interests of our member countries and territories.

The annual meeting of CROP heads was held at the SPREP headquarters in Apia in May, and will be hosted by the SPC in Noumea next year.

33. The SPC/SOPAC relationship continues to be strong. There were several joint exercises this year. In August, we joined forces to co-sponsor the regional Information and Communications Technology workshop that produced a regional policy on ICT development for the Pacific. We also finalised an environmental health project proposal that we hope to float shortly with potential donors as a joint project.

On the integration issue, the Director of SOPAC and I have produced a joint paper that the respective council members will consider at the November meeting. Whatever the outcome of the integration question, I am convinced that the future relationship between the two agencies will continue on a high note. There's great value in the close linkages that we have agreed to maintain.

The tripartite meeting involving SPC, SOPAC, and SPREP, that we started last year in an attempt to better coordinate our work programme activities, is scheduled to take place before the end of the year. I believe the three agencies have found the exercise to be very useful. The annual SPC-FFA colloquium, held earlier this year, is continuing to result in excellent co-ordination between regional fisheries management and science.

34. This year, the SPC and ICLARM entered into a formal Memorandum of Understanding. SPC has been working closely on various fisheries projects with ICLARM over the years, however, the MOU will serve to enhance institutional linkages and project co-ordination. ICLARM is hoping to establish a regional base in New Caledonia, with the SPC continuing its partnership role.

We have also made some progress towards signing an MOU with the Food and Agriculture Organisation in the United Nations (FAO), to enable closer ties with the Pacific sub-regional office in Apia, particularly in agriculture. The SPC fisheries programme has an existing MOA with the SAPA office.

PROGRAMME DEVELOPMENTS

35. This is the part of my report where I present highlights of current programme activities. The list is not meant to be an exhaustive one, but rather to give you an idea of some of programme work that is going on at the SPC.

Marine Resources Division

36. The long-awaited European-Union funded fisheries research projects, collectively known as PROCFISH, has been approved by Brussels, and is about ready to begin by the end of the year. The project has two components: one dealing with reef fisheries science to be managed by the Coastal Fisheries Programme, and the other is ongoing work started by SPRTRAMP in the Oceanic Fisheries Programme side. We're expecting at least 12 new staff to come on board on these projects by early next year, bringing the total staff complement of Marine Resources Division to over 50.

37. Among the fastest growing section in the Coastal Fisheries Programme is Reef Fisheries Assessment and Management, whose work will be greatly enhanced by the EU project component that has been dubbed SPRCARF, South Pacific Comparative Assessment of Reef Fisheries. The unit also has started collaborative work with our next door neighbor, the French research institute IRD, on coral reef, and ongoing work with ADB and the MacArthur Foundation on the Live Reef Fish Trade initiative, which has also attracted the interest of the Packard Foundation.
38. The work of the Coastal Fisheries Programme and the current problems and priorities for fisheries in the region was discussed by SPC member countries and territories at the 2nd Heads of Fisheries meeting held in Noumea in July. This year, Coastal Fisheries started its first fisheries social science research project, in collaboration with the SPC Demography/Population programme. The project is a result of financial support from the MacArthur Foundation. Coastal Fisheries has been quite successful in obtaining funding support from private-sector philanthropic foundations. Later this year, the programme will be drafting its strategic plan for its future directions.
39. There is a new initiative in Coastal Fisheries this year that will be providing regional support in aquaculture development. The new 3-year project was approved in October by AusAID. A selection process is underway for an Aquaculture Adviser, who will be working closely with other regional organisations such as USP and ICLARM in this effort. The project will focus on information services, training and applied research, and is seen as a first step to providing a regional service for aquaculture support.
40. This year, the Oceanic Fisheries Programme underwent an external review, which concluded the OFP has been an “outstanding success,” with “its sterling accomplishment of its objective of providing member countries and territories with scientific information and advice needed to rationally manage fisheries, in exploiting the region’s resources of tuna and tuna-like species.”

The work of the OFP in fisheries assessment and management has been long recognised worldwide. The Standing Committee on Tuna and Billfish, (SCTB), which is the annual meeting of fishery scientists working on tuna fisheries in the region, met in Noumea in August, and re-affirmed OFP’s excellent work. It’s future role in relation to the Western and Central Pacific Commission (WCPFC) has yet to be a focus in the regional discussions, although we are following the establishment of this new body through attendance at the preparatory conferences.

41. I’ll just mention a few newsworthy activities of SPC’s Fisheries programmes this year:
- On governance, we produced manuals on private sector/government co-management of small-scale fisheries, and provided technical assistance to develop community-based management system for subsistence fisheries.
 - On conservation, we flagged warnings over estimated declines in biomass and recruitment of yellowfin tuna recently, and the SCTB recommends precautionary approach to exploitation particularly of juvenile yellowfin.

- On gender, we produced the first comprehensive review of the role and status of women in Pacific Island fisheries. We currently have two training courses to promote women in fisheries, on post-harvest skills and on management.
 - On biodiversity, we embarked on a major series of posters to illustrate fishes and invertebrates significant to island fisheries, and also produced a profile of the significance of turtle as bycatch in tuna fisheries.
 - On industry development, partially as a result of training from the SPC, seaweed farming in Vanuatu has been established.
42. Still on the Marine Division, the Regional Maritime Programme has been quite busy this past year assisting our Member countries and territories improve their national maritime and shipping standards. The programme completed drafting maritime legislation for several countries this year. The Pacific is the first region to have all its submissions to the IMO White List, which is an important feat culminating years of effort by the countries and the maritime programme.

A major challenge still remains to upgrade the qualification of seafarers by February 2002, the looming deadline to complete the training so that seafarers do not lose their jobs in overseas merchant ships. This year, the programme enabled STCW 95 training of about 300 Pacific seafarers from nine countries in meeting standards set by the IMO, with funding assistance from AusAID and the UK. There's still more than 1,300 officers and 6,500 ratings that need to be upgraded and we are working with DFID on a three-year training programme to reduce the backlog of upgradings. The maritime programme is only focussing on assisting the officer training. We are awaiting feedback on SPC's request to NZODA for longer-term funding assistance for the programme's training component.

Social Resources Division

43. Following on from the independent review conducted last year, the SPC's health units have gone through a major programme revival this year. It now sports the new name recommended by the review - Public Health Programme – and its staff have been working extremely hard this past year putting together a strategic plan for the programme's future direction. By the end of this year, there will be a new Manager for PHP who will be responsible not only for coordinating the other PHP sections, but also for one of the programme's technical areas, health promotion.

This past March, the SPC joined forces with the World Health Organization in sponsoring a joint regional meeting of health Ministers and Directors in Madang, PNG. It was an important first-ever meeting that focussed on health issues and the region's priority needs, as opposed to a strictly institutional focus. The regional meeting did re-affirm the PHP's current strategies and activities, among them the need to address the rapid increase of lifestyle diseases, which is the focus of our Lifestyle Health (formerly Nutrition) section. Another is the importance of strengthening existing health surveillance networks, which is the goal of our Public Health Surveillance and Communicable Diseases Control section. You'll be seeing the Public Health Programme taking on a greater role in promoting the much-accepted *Healthy Islands* strategy in the years to come.

44. Some large SPC health projects are coming to an end this year, including the AusAID-funded Vector-borne Disease project that assisted three countries in the region improve their capacity to fight such diseases as dengue and malaria. It's worth noting that a number of activities initiated by this project have been sustained at the national levels even after the project's completion in June.
45. The current HIV/AIDS and STI project, supported by AusAID, is also scheduled to end this year. AusAID is currently in the process of designing a new regional project that envisages an SPC component, carrying on some of the activities from the current project. With the SPC's assistance, it convened a regional meeting involving officials from member countries' Health, Planning and Finance departments in Nadi in August to look at the regional project's future directions. A particular feature of the new project design will enable addressing HIV/AIDS using a multi-sectoral approach. The new regional project is expected to begin next year. Project staff this year were also able to provide technical support to Pacific delegations at the UN General Assembly Special Session in June and the ICAAP ministerial meeting hosted by Australia in October that focussed on HIV/AIDS.
46. The Pacific Regional Tuberculosis Control project, funded by NZODA, has successfully achieved the objectives of the first phase of the project and it is due to come to close this year. Since its inception three years ago, the project has worked hand in hand with WHO which also provided funding support for an external review of the TB project this year. The review confirmed the significant achievements of the project in its four target countries, and recommended an extension to three other countries for a second phase. Having already secured support from France and an Australian non-government organisation (CHATA) for some components of the next project phase, we are seeking support from New Zealand to continue the project another three years. A decision is expected in early December.
47. The Health Leadership and Management Development project, funded by NZODA, is also scheduled to end in March next year, although we are hoping to extend it another year to enable it to find a suitable home in a regional training institution. The project has been quite busy this year, including an independent evaluation of the designed training course. The review reaffirmed the appropriateness of the course for mid-level health managers in the region that the project is targeting. A project coordinating committee, involving the region's Health directors, WHO and the Fiji School of Medicine, helped to ensure that the programme was focussed on countries' training and development priorities.
48. A new project this year is the AusAID-funded non-communicable disease project, the Pacific Action for Health, which is in its early stages of implementation. It aims to reduce the likelihood of heart disease, cancers, diabetes and hypertension by increasing capacity in its four targeted countries to address the major factors associated with NCDs. The focus this year was to get the necessary commitments from countries and other stakeholders to make the project work. Once it gets off the ground, the project will focus on young people.

49. The SPC has taken on a new Adolescent and Reproductive Health project funded by UNFPA, which fits very well with the two existing UNFPA funded projects housed at SPC Suva. The new two and half year project involves nine Pacific Island countries, with a total budget of nearly \$2 million USD. It's an interesting project that will focus on IEC material development, training and seminars on population and reproductive health issues, and will involve other SPC programmes and the Fiji School of Medicine. The funding agency for the project is Turner Foundation, one of the two private sector foundations that currently fund SPC projects, the other being in Fisheries.
50. The six sections comprising the Socio-Economic Programmes have also been very active this year, with a number of them hosting their technical counterparts in regional technical meetings. The programmes are quite diverse in nature, but are bound together with their focus on capacity building in Pacific Island countries and territories, and their cross-sectoral role. Like the SPC health programme units, the Socio-Economic Programmes have been meeting regularly throughout the year, with an aim towards developing strategic directions for the years ahead.
51. Traditionally, one of the largest SPC regional gatherings is that of the Pacific Women's Bureau and the successful women's meeting which was held in Noumea in September was as expected. The women's programme was one that underwent an independent evaluation this year, and the outcome, which was endorsed by the regional meeting, will serve to set the programme's future directions. You'll notice the new name recommended by the review, and warmly accepted by the meeting, and by the Secretariat.

The bureau's mission in future years will remain focussed on helping member countries and territories implement the Pacific Platform for Action and the Convention for the Elimination of Discrimination Against Women. It has just begun its strategic planning exercise, and will be looking at its internal capacity to achieve its objectives.

52. The Pacific Youth Bureau has been active this year with training courses for youth leaders in three countries, technical assistance in the development of national youth policies in five countries, and youth exchange programmes. The Small Islands States fund which provides support to the SPC's twelve eligible states has enabled about 500 young people to receive training assistance in various skills development initiatives.
53. The SPC Demography/Population programme is continuing on its mission to provide training and technical assistance to member countries and territories on population issues, and to try to get them to disseminate population data in a user-friendly way. A major event this year was the NZODA-funded Regional Seminar on Population and Development held in March at the SPC headquarters, where Pacific planners offered their expertise on population issues and constraints. The programme staff is continuing its ongoing assistance to members on their census, including one they are currently conducting in Tokelau. The briefing provided by the programme to Forum leaders in Nauru in August highlighted the need to balance the region's population growth with its resources, indeed a continuing challenge for Pacific countries.

54. There were significant increases in the range of training activities, including new training material, and technical assistance in the Statistics programme, which began to offer new courses economic statistics and specialised management training for senior statisticians this year. The programme continues to host a number of Pacific Islander trainee attachments, including the position of Statistical Research Officer. Its current focus, re-affirmed at last year's regional head of statistics meeting, will likely continue in broad terms, to include providing more in-country training on the development of gender indicators for development.
55. A very effective collaboration has developed this year between the SPC's Cultural Affairs programme and the Forum Secretariat and UNESCO. They were able to draft model legislation for the legal protection of traditional knowledge and expressions of Pacific Island cultures and table it at Forum ministerial meetings. It's an area that the programme will need to remain actively involved in, as it will not only aim to ensure protection but will also provide tools for countries/territories to assess the economic value of their cultural sector.
56. The renewable energy project, PREFACE, funded jointly by France and Australia, made great progress this year towards the installation of new photovoltaic and wind energy technologies in the four demonstration project sites. We expect project installations in Tonga, Vanuatu and the Marshall Islands by February 2002, and later in the year for the Cook Islands, signaling the successful achievement of the project objectives by the end of next year. The future for other renewable energy activities at the SPC is very promising, with increased interest by potential donors and a growing number of Member countries and territories looking to the SPC for assistance in this area.
57. The Class of 2001 successfully completed this year's programme at the Community Education Training Centre in mid-October. It was quite an enterprising group that was able to secure funds to build a village pre-school classroom, as part of its community outreach. We're looking to future expansion of CETC to enable 20 additional places at the facility, having already received some small donations from a woman's NGO and expressions of interests from other potential donors. As part of the SPC's on-going programme of reviews, CETC will be undergoing an external evaluation next year.
58. It was a busy second half of the year for the Regional Media Centre, even with its reduced staffing and funding level. In October, the RMC and UNESCO co-hosted a regional workshop for directors of 22 television stations in the region. The programme was also able to complete training courses in Graphic Arts, and workshops to help improve television services in the Pacific. The Regional Media Centre is one of three Suva-based programmes that will be reviewed by external consultants next year.
59. The provision of additional resources to the different sections of the Integrated Information and Communication programme through the project management fees approved at CRGA last year has already had a beneficial effect in relieving some of the pressures in the SPC's programme support services. This is welcomed, as it would help in easing the load created by the expansion in programme services. This year, there is an increased number of technical meetings organised by the SPC that has also resulted in a delay in the production of publications and translation of documents.

60. The SPC this year hosted two inaugural regional Information/Communications meetings. In August, along with SOPAC and ForSec, we co-sponsored the regional Information and Communications Technology workshop that produced an ICT policy as the first step towards developing appropriate strategies and ultimately a regional programme for IT development in the Pacific. We envisage this new initiative to tap the expertise in existing regional bodies.

In September, the first bilingual regional meeting of librarians was held at the SPC headquarters, jointly organised with the International Federation of Library Associations. The meeting produced a number of recommendations that would enable closer cooperation among regional libraries and greater awareness and access to information.

Land Resources Division

61. The year was quite successful for the Agriculture programme in regards to outputs from regional and national meetings and workshops. There were too many to detail here, so I will just highlight a few. The 14th PHALPS, held in Nadi in May, endorsed the SPC Agriculture Strategic Plan that provides the framework for the programme's future direction. Workshops were also run on the impact of WTO on Pacific Islands, on Plant Genetic Resources and on the Tarogen Project that will come under SPC in January. And a two-day workshop, co-sponsored with ACIAR and APAARI, on "identifying research priorities in Agriculture, Forestry and Fisheries," is scheduled for late October.
62. The new integrated Pest Management in the Pacific project, that was established last year by bringing together separate agriculture projects into one, is running well, with substantial funding support by AusAID and NZODA. There is interest by ACIAR to provide support to the Taro Beetle component of the project over three years.
63. With regard to programme initiatives, a second phase of the EU-funded Pacific Plant Protection project is now likely to start the first quarter of 2002. The other EU initiative, which will build upon the former Pacific Regional Agriculture Programme (PRAP) foundation, is still in the pipeline. This new project is called Development of Sustainable Agriculture in the Pacific and will focus on an extension of technology transfer to farmers and farm groups. A regional workshop is being planned for late October/early November to better shape the project.
64. A sample of other initiatives in the agriculture programme include:
- The Regional Germplasm Center is now operating as a servicing facility for the region and the SPC agriculture programme in the area of germplasm conservation, management and distribution. Plant genetic resource activities will also be carried out by the Centre that also serves as a Secretariat to the newly-activated Agriculture plant genetic resource network.
 - The SPC has been approved as the executing agency for the AusAID-funded Tarogen project, which is a two-year project with a budget of more than \$1.2 million AUD.
 - We're still pursuing funding support for a new Paravet project that will initially focus on distance education modules.

65. Before leaving agriculture, I should mention the excellent “SPC rapid response” to urgent requests from member countries and territories, citing the team work by our Animal Health Adviser and our Epidemiologist from the Public Health Programme in responding to a leptospirosis problem in CNMI in September. An expert from the Pasteur Institute was part of the team that responded quickly to the urgent call.
66. The Regional Forestry programme completed its draft Strategic Plan this year and the document has been picked up by the CROP Land Resources working group to form the basis of a wider regional strategy. On the Pacific Islands Forests and Trees Support programme component, we’re currently working with AusAID to enable longer-term support. This year, the Forestry Adviser has been involved in a World Bank review of the Papua New Guinea Forestry sector. Given the size of PNG’s forestry reserve, the largest in the island countries, it was important for the SPC to provide input into the review.
67. Germany has approved in principle an extension of their support to the SPC/GTZ German Forestry project for a further three to four years. This project focuses on the sustainable management of forest resources, initially in five Pacific Island countries but with greater scope for expanding project activities to other countries in the extension.

CONCLUSION

68. Overall, I hope this report has instilled confidence among Members that the SPC is still sailing smoothly on the course that you have charted for the organisation.
69. I believe the Secretariat has made progress this year in helping make the SPC a more efficient and effective organisation. The agenda for next year is equally charged, with a focus on a new SPC Strategic Plan. These are exciting times for the organisation, and I am grateful to be a part of it all.

In my seeking a second term as Director General, I will focus on further consolidation of recent operational efficiencies, and look forward to working with you and other stakeholders on setting future directions for the organisation through the strategic planning exercise next year.

13 October 2001