

Nuku'alofa, 9 October 2009

The Honourable Dr. Feleti Vaka'uta Sevele
Chair 6th Conference of the Pacific Community
NUKU'ALOFA
Kingdom of Tonga

Dear Dr Sevele,

It is my honour to present to you and to the Sixth Conference of the Pacific Community the recommendations agreed on by the Committee of Representatives of Governments and Administrations (CRGA) at its 39th session last week.

On behalf of CRGA, I would like to congratulate you on assuming the chair of the Conference and convey to you our confidence that under your stewardship the meeting will enjoy great success.

It has been a privilege for me to chair CRGA 39 in your beautiful country and on behalf of all members I wish to thank your government for the excellent arrangements made and for the warm hospitality we have all enjoyed.

Before outlining our discussions and recommendations, let me inform you that CRGA 39 first observed a minute of silence in memory of the victims of the tsunami in American Samoa, Samoa and Tonga and of other recent tragedies in the region. We extend our deepest sympathy to all those affected by these tragic events.

Below is a summary of the discussions of CRGA 39. I'm pleased to report that these discussions were both constructive and useful. The recommendations of the meeting for consideration by the Conference are attached to this letter (Attachment 1).

Summary of major outcomes of CRGA 39 for consideration by the 6th Conference of the Pacific Community

Director-General's Report – CRGA 39 accepted the Director-General's report for 2009 and commended the work of the Secretariat, noting in particular the following areas of the report.

Decentralisation – CRGA 39 welcomed the update on the implementation of its decision to 'move services closer to people' through decentralisation beyond Noumea and Suva, noting the Secretariat's cautious approach in light of the potential cost implications. Representatives noted with appreciation the commitment by respective host countries to support the national/regional offices of SPC, as well as the efforts by the Secretariat to improve its systems to support the decentralised delivery of services. CRGA 39 welcomed the Secretariat's intention to present a full analysis of the cost of establishing all decentralised offices to CRGA 40 in 2010.

Global economic crisis – CRGA 39 commended the staff and management of SPC for agreeing to forego the approved increases in remuneration in 2009, in the face of the global economic crisis, to safeguard the delivery of services to members.

Arrears in members' assessed contributions – CRGA 39 expressed concern about the level of arrears in members' assessed contributions, recognising its impact on SPC's capacity to deliver services to members, and requested members in arrears to settle their dues in full or agree on a payment schedule with the Secretariat by 31 December 2009.

2010–2011 reforms – CRGA 39 commended and supported the Director-General's proposed two-phase reform of SPC's organisational structure and systems, which will take place over the next two years, 2010 and 2011. It noted that the new organisational structure is likely to be based on themes rather than sectors and will be shaped to optimise service delivery to members.

Reform of the Regional Institutional Framework (RIF) – CRGA 39 endorsed the final decisions on the framework, which were reached after exhaustive consultation and discussion, and a historic joint meeting of the SOPAC (Pacific Islands Applied Geoscience Commission), SPREP and SPC governing councils as well as their respective special sessions in mid 2009. Representatives noted that the decisions have also been endorsed by Forum Leaders and that implementation plans for various aspects of RIF have been developed by SPC in partnership with PIFS, SOPAC, SPBEA and SPREP. As a result of these decisions, from January 2010 the majority of SOPAC's core work programme will become the SOPAC Science and Technology Division of SPC, and SPBEA will be merged with SPC, initially as a stand-alone programme in 2010. SPC will assume the role of lead coordinating agency for the regional energy sector. SOPAC's current energy programme will become part of a new Economic Development Division of SPC together with the transport, infrastructure and ICT functions transferred from PIFS.

Sustainable development of Pacific resources – CRGA 39 recognised that the Pacific region has an abundance of natural resources in its people and cultures, its forests, plants and seafood, but that none of these can be taken for granted. It stressed that climate change, food security issues, the financial crisis, pandemic outbreaks, too few opportunities for young people, and loss of skilled people to other countries are all challenges for the conservation and sustainable development of natural resources for current and future generations. It therefore welcomed the work of SPC's technical divisions at national, regional and international levels to address these challenges by providing policy support, research and technical assistance to enable Pacific people to use their resources sustainably as described below.

Land Resources – CRGA 39 acknowledged the work conducted by SPC's Land Resources Division in a range of areas including trade, biosecurity and plant and animal health. In particular, it commended SPC on the recent opening of a new world-class facility to house the Centre for Pacific Crops and Trees (CePaCT) in Suva, Fiji Islands. The centre holds large collections of Pacific crop and tree plants that are well-adapted to various Pacific conditions. It noted that the collections are being made available to the region's farmers and communities through tissue-cultured plants. Representatives commended SPC in particular on the development of 'climate-ready' seeds including salt-tolerant and flood-tolerant varieties to support efforts to adapt to climate change, improve food and nutritional security and increase domestic and export trade in agriculture and forestry products.

Marine Resources – CRGA 39 acknowledged the work of SPC's newly renamed Fisheries, Aquaculture and Marine Ecosystems Division in providing research, training and technical assistance in one of the Pacific region's most important economic sectors. In particular, CRGA 39 recognised SPC's important work in objective scientific assessment of tuna stocks, which is fundamental to tuna fisheries management in the region, noting that the on-going and very successful tuna tagging project is providing vital information in this regard. Representatives acknowledged this as a good example of an initiative that is best done regionally, especially as there is no national capacity for such assessment and that regional assessments must be undertaken by an unbiased regional organisation. Representatives commended SPC's joint initiative with the Forum Fisheries Agency to conduct a study on the future of Pacific fisheries, which will help in determining the direction of the sector

Public Health – CRGA 39 acknowledged the work of SPC's Public Health Division in helping to prevent communicable and non-communicable diseases and strengthening of health systems. It commended its efforts to assist member countries in being better prepared for disease outbreaks as was demonstrated during the recent H1N1 pandemic influenza. SPC's pandemic preparedness project contributed to most member countries and territories having the capacity and equipment on hand to mount an effective response to the outbreak. It supported the continued provision of assistance to SPC to sustain this emergency preparedness and response capacity in the region. CRGA 39 supported the division's new strategic plan, which is strongly focused on addressing the wider determinants of health such as education, gender equity, adequate sanitation and clean water and livelihoods, in addition to addressing the diseases common to the region. It welcomed the cross-sectoral approach being taken by SPC in collaboration with development partners to ensure the most effective application of resources for health. Representatives also welcomed SPC's initiative to map priorities in health in three member countries and supported the extension of this mapping to other countries.

Social Resources – CRGA 39 commended the efforts of SPC's Social Resources Division in assisting members to achieve the Millennium Development Goals (MDGs) and meet commitments to international

conventions and treaties such as the Convention on the Elimination of all forms of Discrimination Against Women (CEDAW). It welcomed SPC's work on issues relating to human rights, gender, youth, culture and community leadership, noting the relevance of these issues to sustainable development. It expressed appreciation for the work of the Regional Media Centre, and the support of the Statistics and Demography Programme for the functions of national statistics offices, noting the impacts achieved in member countries and territories. CRGA 39 also noted the need for upgraded and expanded country and regional statistical information systems and databases across all sectors as a prerequisite to improving the availability of high-quality statistical outputs to make evidence-based policy decisions.

Economic Development – CRGA 39 acknowledged SPC's role in establishing a new feeder shipping service for Kiribati, Nauru, the Republic of Marshall Islands and Tuvalu, using a Kiribati state-owned vessel. This new feeder service has already resulted in lower freight rates and more frequent and reliable shipping. The meeting was pleased to note that the Regional Maritime Programme will incorporate into its existing audit regime a system of safety audits on domestic ships, to be undertaken in consultation with its counterparts in Australia and New Zealand, along with other efforts to help ensure the safety of the region's domestic fleet. CRGA 39 acknowledged the utility of the Pacific Rural Internet Connectivity System (PacRICS) in enabling communication with rural areas and outer islands. PacRICS is inexpensive and the Internet access provided by each site can be spread over a wide area, allowing sharing of costs. Representatives noted that the system proved to be particularly valuable during the recent tsunami disaster where it provided the only electronic communication channel to and from Niutoputapu for up to two weeks after the event and greatly assisted in the coordination of relief efforts. CRGA 39 noted that PacRICS is the only satellite communication system that both covers the entire Pacific Island region and lends itself to use as a low-cost disaster surveillance and response tool. CRGA 39 also supported the request for a further year of bandwidth funding for the PacRICS initiative, which provides the region with a robust and responsive communication backbone that can be used for education, health and disaster response purposes, noting in particular that the equipment required is compact and inexpensive and, in the event of a disaster, can be landed and set up with relative ease.

Quality of papers and presentations – CRGA 39 acknowledged the quality of the papers and presentations made by the Secretariat. It welcomed the clear focus on impacts and outcomes, noting that the detailed reporting of activities at the national level made it easier for members to appreciate the value of the services that SPC provides in various sectors.

SPC and the Pacific Plan – CRGA 39 commended SPC for its initiative in mainstreaming Pacific Plan priorities into its core business and welcomed the publication *SPC and the Pacific Plan*, which gives detailed information on its contribution to implementing the Pacific Plan across all the sectors in which SPC works.

Joint country strategies – CRGA 39 acknowledged the value of the joint country strategies (JCSs) that have been developed between members and SPC. CRGA 39 also noted progress with the development, implementation and monitoring of the strategies and supported the Secretariat's plans to complete strategies with Fiji Islands, Guam, New Caledonia, Papua New Guinea and Vanuatu in 2010 and to start on developing a second-cycle strategy with Marshall Islands. The JCSs outline in one integrated document the scope of SPC's planned assistance to an individual member over a defined period. They present a 'whole of SPC' approach and are based on working jointly with members to improve the responsiveness, relevance, effectiveness and strategic impact of interventions at the country level, and to strengthen priority setting and monitoring. Key principles in developing the strategies are an emphasis on stated national development priorities, joint preparation and a participatory multi-sectoral approach. Representatives welcomed the Secretariat's approach to involving other CROP (Council of Regional Organisations in the Pacific) organisations in developing the JCSs, noting that this process may in time lead to CROP-wide JCSs with members.

Tracking development progress – CRGA 39 welcomed the approach taken 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. To enhance members' access to relevant development data, SPC is working with stakeholders including members to agree on a core set of indicators for Minimum National Development Indicator Datasets. The meeting recognised the progress that has been made. The next step will be to finalise the initial dataset to share with development partners to ensure their

development tracking requirements are met. The dataset will then be shared with members to ensure their monitoring and tracking requirements are met, after which it will be finalised and put forward for implementation. CRGA 39 noted that the work will ultimately result in a monitoring system that will allow tracking of development in real-time, based on collection and compilation of high-quality statistics and further noted that achieving this aim will require investment of additional resource at national and regional levels.

Long-term sustainable financing strategy for SPC – CRGA 39 commended the proactive stance taken by SPC in developing a long-term sustainable financing strategy for the organisation and endorsed the establishment of a subcommittee of CRGA to assist the Secretariat in undertaking an in-depth analysis of the core functions that SPC should perform and the most appropriate funding modalities. This analysis will provide the basis for developing the strategy. The meeting endorsed the terms of reference and membership of the subcommittee and noted that it will report its findings to CRGA 40 in 2010.

Financial administration and management – CRGA 39 commended SPC on receiving clean audit reports, for the 13th successive year, for its 2008 financial records and the Provident Fund. It approved the balanced budget presented by the Secretariat for 2010, with total anticipated income and expenditure amounting to 68,418,000 CFP units, comprising combined (SPC, SOPAC and SPBEA) 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). The meeting noted that some recently approved funding had not been incorporated in the budget it approved and that these funds would be incorporated in a budget summary that would be circulated to members at a later date.

Evaluation of the Director General's performance– CRGA 39 convened 'in camera' for this session and its recommendations will be presented to the Chair of Conference also 'in camera'.

CRGA 39 reached agreement on a number of other recommendations, which are included in full in Attachment 1. In accordance with established practice, the decisions of CRGA 38 held in Noumea in October 2008 are also attached (Attachment 2) for noting by the Conference, given that in the years the Conference does not meet, CRGA is empowered by the Conference to make decisions.

I commend these decisions and recommendations to the Conference. In this regard, I wish to thank CRGA 39 members for their cooperation in completing the business of the meeting and for their commitment and dedication to the work of the Pacific Community.

I end by wishing you a stimulating and fruitful meeting,

Yours sincerely,

Ms Romaine Kwesius

Chair

39th Committee of Representatives of Governments and Administrations