



**FORTY-SIXTH MEETING OF THE
COMMITTEE OF REPRESENTATIVES OF GOVERNMENTS AND ADMINISTRATIONS**
(Noumea, New Caledonia, 28–30 June 2016)

**AGENDA ITEM 5.4: ANALYSIS OF GOVERNANCE AND FINANCING OPTIONS FOR THE PURSUIT OF
PACIFIC REGIONALISM**

(Paper presented by the secretariat)

Summary

1. This paper, prepared by the Pacific Islands Forum Secretariat (PIFS), provides an update on the 2015 decision of Pacific Islands Forum Leaders to undertake an analysis of regional governance and finance (RGF), and seeks agreement from CRGA to engage in the Joint Steering Committee that will comprise Chairs of the governing councils/committees of member agencies of the Council of Regional Organisations in the Pacific (CROP).
2. The Pacific region's countries and territories are at the heart of the analysis. The RGF seeks to support the deepening of regionalism as envisaged in the *Framework for Pacific Regionalism* in terms of how a shared agenda is agreed and collective resources allocated accordingly to deliver against regional priorities.
3. Governing councils/committees of CROP agencies play a key role in facilitating coherence between a shared regional agenda and the proportionate allocation of collective resources; hence it is important that they are represented on the RGF's Joint Steering Committee.
4. A CROP CEO Reference Group, led by the PIFS Secretary General as CROP Chair, will engage closely with governing council representatives via the Joint Steering Committee, and contribute to the data collection currently underway.
5. The inaugural meeting of the Joint Steering Committee will be from 20 to 21 July, 2016, at PIFS Headquarters in Suva, Fiji.

Recommendations

6. CRGA is invited to:
 - i. **commit** to engage in the Joint Steering Committee for the analysis of regional governance and finance through the CRGA Chair and Vice-Chair, including participation in the inaugural meeting of the committee, 20–21 July, 2016, in Suva, Fiji;

- ii. task the Pacific Community with participating in and contributing to the data collection and analytical process, and subsequent regional dialogue, as part of a CROP CEO Reference Group.

ANALYSIS OF GOVERNANCE AND FINANCING OPTIONS FOR THE PURSUIT OF PACIFIC REGIONALISM

Purpose

7. The purpose of this paper is to inform CRGA of: (a) progress regarding the Pacific Islands Forum Leaders' 2015 decision to undertake a study of regional governance and finance; and (b) the role of the governing councils of CROP members. The terms of reference for the study are appended to this paper.

Background

8. In September 2015, Pacific Islands Forum Leaders tasked the Forum Secretariat with undertaking an analysis of governance and financing options for the pursuit of Pacific regionalism, in collaboration with member states, CROP agencies and other stakeholders (Forum Communiqué, paragraph 19).
9. The Pacific region's countries and territories are at the heart of the analysis. A Forum Troika Strategic Oversight Group will provide the strategic leadership for the exercise, informed by a Joint Steering Committee comprising Chairs of CROP governing councils and the PIFS Secretary General. The Forum Secretariat will conduct the analysis in close collaboration with member states, CROP agencies and other regional stakeholders as deemed appropriate.
10. The RGF comprises three phases to confirm options to deepen Pacific regionalism: (1) data collection; (2) analysis; (3) regional dialogue. It is an iterative process, informed by each prior phase. It commenced in early 2016, with an anticipated 12–24 month overall time frame. CROP CEOs have assured their support for an efficient and time-bound process.

Current issues

11. Deepening Pacific regionalism through the *Framework for Pacific Regionalism* is about how countries and territories determine a shared agenda and direct collective resources to deliver against their regional priorities. Governing councils/committees of CROP agencies play a key role in facilitating coherence between a shared regional agenda and the proportionate allocation of collective resources. Representation of the CRGA Chair and Vice-Chair on the Joint Steering Committee will be important to guiding and developing options for effective regional dialogue amongst Pacific countries and territories. The inaugural meeting of the Joint Steering Committee will be from 20 to 21 July, 2016, at PIFS Headquarters in Suva, Fiji.
12. A CROP CEO Reference Group, led by the PIFS Secretary General as CROP Chair, will engage closely with governing council/committee representatives and the study team. CROP serves as an important regional stakeholder group during consultations, alongside other multilateral stakeholder groupings in the region that have a bearing on how regionalism is governed and financed. Active participation of the Pacific Community's senior executive will enhance the analytical exercise.
13. PIFS has already commenced Phase 1 – Data Collection, and is in communication with CROP agencies regarding regional finance analysis. Timely advice from CROP agencies is necessary and would assist with ensuring completion of this component of the analysis prior to the inaugural meeting of the Joint Steering Committee.

Recommendations

14. CRGA is invited to:
 - i. commit to engage in the Joint Steering Committee for the analysis of regional governance and finance through the CRGA Chair and Vice-Chair, including participation in the inaugural meeting of the committee, 20–21 July, 2016, in Suva, Fiji;
 - ii. task the Pacific Community with participating in and contributing to the data collection and analytical process, and subsequent regional dialogue, as part of a CROP CEO Reference Group.
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