



**DECISIONS OF THE FIFTY-SECOND MEETING OF THE
COMMITTEE OF REPRESENTATIVES OF GOVERNMENTS AND ADMINISTRATIONS**
(23–24 November 2022, Port Vila, Vanuatu)

DECISIONS

AGENDA ITEM NO. 1: OPENING OF CRGA 52

1. The fifty-second meeting of the Committee of Representatives of Governments and Administrations (CRGA 52) opened on 23 November 2022, in Port Vila, Vanuatu. The meeting was chaired by Samoa, with Solomon Islands as Vice-Chair, and was attended by representatives of the following SPC members: American Samoa, Australia, Cook Islands, Federated States of Micronesia (FSM), Fiji, France, French Polynesia, Kiribati, Marshall Islands (RMI), Nauru, New Caledonia, New Zealand, Niue, Palau, Papua New Guinea, Pitcairn, Samoa, Solomon Islands, Tonga, Tuvalu, United Kingdom (UK), United States of America (USA), Vanuatu and Wallis and Futuna. The European Union (EU) attended as the permanent observer to SPC. The following partners and ad-hoc observers were also in attendance: SPC's Audit and Risk Committee Chair; Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ); Gravitas Pasifika, Melanesian Spearhead Group (MSG); Pacific Aviation Safety Office (PASO); Pacific Fusion Centre, Pacific Islands Forum Secretariat (PIFS); United Nations (UN); United Nations Children's Fund (UNICEF); and UN Resident Coordinator Office Fiji.
2. The Representative of Kiribati, H.E. Tebuai Uaai, gave the opening prayer.
3. The Director-General (D-G) of the Pacific Community, Dr Stuart Minchin, welcomed and acknowledged members, the permanent observer, partners and other stakeholders. He thanked the outgoing Chair, French Polynesia, and welcomed Samoa's Chief Executive Officer of the Ministry of Foreign Affairs and Trade, Peseta Noumea Simi, on assuming the Chair. He also acknowledged Solomon Islands' Deputy Secretary of the Ministry of Foreign Affairs and External Trade, Mr Cornelius Walegerea, on assuming the Vice-Chair.
4. The Chair thanked the D-G and welcomed members and partners. She noted the great privilege and honour it was to chair the fifty-second meeting of CRGA in Port Vila, Vanuatu. She looked forward to working with the Vice-Chair to guide the deliberations of CRGA 52 to a successful outcome. The Chair also acknowledged Pitcairn's decision to defer their vice-

chair role for the third consecutive year due to capacity constraints. Finally, the Chair thanked the D-G and his staff for the organisation of this important meeting.

5. The Chair acknowledged that this was a special convening for several reasons. It was not only the first face-to-face meeting of CRGA since 2019 in Noumea but also outside of SPC Headquarters since 2015 in Niue. She afforded special thanks to the Government and people of Vanuatu for their warm hospitality and for graciously hosting this combined CRGA and 12th Conference event on the 75th anniversary of SPC. She noted that global geopolitical and economic tensions as well as the climate emergency and the multi-faceted impacts of the COVID-19 pandemic had created challenges but also opportunities for Pacific peoples to evolve and thrive as individuals, communities, nations and partners. This was a process well supported by regional agencies; partnerships with organisations like SPC; through effective regional cooperation; shared services; and building economies of scale.
6. The Chair noted that a letter summarising the progress made by CRGA 52 would be transmitted via the Letter from the Chair of CRGA 52 to the Chair of the Special Thematic Session of the Twelfth Conference.
7. The D-G thanked the Chair for her generous opening remarks and noted the importance of the input of all members to the full agenda before the meeting.
8. The D-G led the meeting through the meeting agenda, which, following his comprehensive update to members, included deliberations on the future location of the Polynesia Regional Office; an overview on SPC's involvement in the implementation of the 2050 Strategy for the Blue Pacific Continent; and an update on the implementation of the new Pacific Community Strategic Plan 2022-2031 as well as the proposed Strategic Results Framework (SRF). He also noted that a Technical Review Report of SPC would be presented by the Friends of the Chair Group following a request from the Chair of the Twelfth Conference of the Pacific Community. The Secretariat would then present the finance reports: the Audit and Risk Committee report, SPC's revised budget for 2022 and the 2023 proposed budget, which included considerations on staff remuneration. This would be followed by a closed session to finalise the D-G's performance evaluation. The meeting would also formally affirm the venue, Chair and Vice-Chair of CRGA 53 and the Thirteenth Conference of the Pacific Community. Finally, several information papers had been provided to the membership for noting but would not be presented, including the report on human resources, a progress update on CRGA 51 and out-of-session decisions and the standing report of the Pacific Board for Educational Quality (PBEQ).

ADOPTION OF THE AGENDA

9. Following the Director-General's summary of the agenda, the Chair requested for a motion for its adoption. Fiji moved that the agenda be adopted and Solomon Islands seconded, concurrently offering their full support to the Chair as the Vice-Chair for this meeting.
10. The Chair declared the agenda adopted.

ELECTION OF THE DRAFTING COMMITTEE

11. The Chair noted the drafting committee nominees and wished them well in their work: Australia, Cook Islands, FSM, Fiji, France, RMI, Tonga, French Polynesia, USA, Vanuatu and Tuvalu. Solomon Islands' Deputy Secretary of the Ministry of Foreign Affairs and External Trade, Mr Cornelius Walegereia, was nominated to chair the drafting committee.

AGENDA ITEM NO. 2: DIRECTOR-GENERAL'S REPORT

12. The Director-General (D-G) provided members with an update on SPC's progress throughout 2022. Ongoing public health restrictions and geopolitical developments as well as the growing threat of economic instability, climate change and natural disasters had exacerbated existing challenges and presented new ones through the year. However, the region had collectively endorsed the 2050 Strategy for the Blue Pacific Continent, which called for unity and resolve to align regionalism on a positive, resilient and sustainable trajectory. This would be further strengthened through the forthcoming Review of the Regional Architecture (RRA).
13. As a key element in the Pacific regional architecture, SPC had made good progress in implementing the new *Pacific Community Strategic Plan 2022-2031* and further developing integrated programmes of work through the development of flagship programmes, resource mobilisation and institutional strengthening; including work towards establishing a Polynesia Regional Office, the new Pacific Women Lead (PWL) programme and SPC's internal Women in Leadership initiative. He reiterated the ongoing importance of the recommendations from the 2018 mid-term review of SPC and the Capstone Review of the previous Strategic Plan 2016-2020. The D-G also noted the need to continue strengthening organisational systems and processes; better define national priorities with members and SPC's capability to respond to them; and strengthen data collection as well as coherent monitoring and reporting in the region.
14. The D-G spoke to SPC's new Climate Change flagship, which recognised the opportunity for CROP partners and accredited entities to access the estimated USD 3-4 billion earmarked for the region, and aimed to ensure members were supported in their technical, scientific and mitigation/adaptation needs going forward. The focus would be on ensuring that

delivery modalities were tailored to the Pacific context. SPC had made significant progress in delivering climate finance (est. EUR 220 million pipeline), which represented the fastest growth of an accredited entity in the region. This needed to be accelerated and the Climate Change flagship would support further climate finance access for members as well as technical implementation support.

15. In light of the disruptions caused by COVID-19, there was an increased need for programmatic and flexible funding from donors that was focused on outcomes rather than on inputs. SPC was also actively exploring support from philanthropic donors, who were more open to flexible funding options.
16. He noted issues with senior staff recruitment due to the uncertainties and delays created by COVID-19 control measures, and the ongoing need to use remote and flexible working approaches to secure the requisite expertise and experience. He further qualified that while remote working offered a potential solution for some staff recruitment into the future, this would require further discussion with members on issues related to host country agreements, such as privileges and immunities. Travel and transport costs were also causing significant issues, and this had implications on the delivery of programmes of work throughout the region.
17. The Chair and members thanked the D-G for his report and acknowledged the progress that SPC had made, despite the various challenges. They also acknowledged the work of the former Deputy Director-General (DD-G), Mr Cameron Diver, and commended the diversity of SPC's current Senior Leadership Team (SLT).
18. Questions were raised regarding how SPC was mapping national priorities into its flagship programmes and whether CROP consultation had been embedded into this process. Members raised concerns about potential duplication and lack of coordination across CROP and regional agencies, and queried the roles and cooperation between SPC and SPREP on climate change, particularly in the delivery of climate finance. Members were also interested in knowing how SPC balanced its role as an Accredited Entity with its role as a scientific and technical partner to members, and what Project Management Fee (PMF) was charged. Members were clear on the need for more flexible funding and while they wondered how SPC might transition from project-based funding to more core and programmatic funding, concerns were raised regarding the potential motivations of philanthropic funders. Australia was interested in how SPC was progressing disability-inclusive development initiatives. Fiji and Kiribati moved that members welcome the D-G's report in recognition of the work undertaken by the Secretariat in 2022.
19. The D-G reassured members that careful mapping and analysis was being done at CROP level to identify existing capabilities in the region; in the context of flagship development as well as project implementation and country programming. He confirmed that SPC's Accredited Entity status was carefully firewalled from its technical implementation work, and that members agreed to a PMF of 15% to cover the fundamental overheads in delivering large projects. He reassured members that SPC was being careful in its approach

to philanthropic funding but that members may wish to consider future cooperation with private and philanthropic partners given the significant finance needs of the region. He recognised that there was necessity for greater coordination in the region, particularly in the wake of natural disasters, and discussions were already being conducted between UN and CROP agencies, and would be considered as part of the RRA. He reassured members that SPC was actively progressing initiatives around inclusivity and diversity, both internally and within its projects.

20. CRGA:

- i. welcomed with appreciation the Director-General's Report.

AGENDA ITEM NO. 3: FRIENDS OF THE CHAIR GROUP TECHNICAL REVIEW OF SPC

21. At the request of the Chair of Twelfth Conference, a technical review of SPC was undertaken by a Friends of the Conference Chair Group (FCG). The review aimed to ensure that SPC was in the best possible position to implement its new Strategic Plan 2022-2031 and participate strongly in the implementation of the 2050 Strategy for the Blue Pacific Continent. Outcomes of the virtual consultations and written feedback received by the FCG identified several common themes, including that not all SPC members enjoy the same level of support; that service delivery was not particularly effective, that provision of technical support during major disasters, such as the COVID-19 pandemic, needed to be addressed; and that SPC needed to strengthen its sub-regional capacity through in-country offices and allocate more resources to supporting in-country programmes based on member country priorities. The FCG also noted concerns around current funding models and recruitment of Pacific Island staff as well as associated training opportunities.
22. The Chair acknowledged that the Technical Review of SPC was an important precursor to the broader regional aspirations and discussions under the 2050 Strategy for the Blue Pacific as well as the RRA. She thanked members for their engagement in the process as well as the time constraints incurred.
23. On behalf of the Friends of the Chair Group, H.E. Anote Tong, highlighted three key issues impacting the region: post-COVID-19 response, climate change and oceans management. He felt that SPC, as the region's premier scientific and technical organisation, could play an integral role in addressing those issues and he presented the Technical Review Report within that context.
24. Members thanked Vanuatu for initiating the review and acknowledged the work that had gone into the process, noting that the report echoed various sentiments expressed by members during the D-G's Report item, particularly on the effectiveness of the current regional architecture. There were reservations about whether it was SPC's responsibility to strengthen sub-regional capacity or whether this would be better focused on building

members' own capacities, and it was noted that remote work provided further opportunities to compliment on the ground implementation, as was the case during the COVID-19 pandemic. Fiji supported the proposal for a full independent review of SPC and that the findings of the report should inform that review, but felt that the terms of reference were best defined at CRGA 53 within the context of the forthcoming RRA. Fiji also requested that SPC consider the issues raised in the report when planning and programming activities in 2023 and designing its flagship programmes.

25. The D-G noted that it was an honour to have members engaged in the organisation and its future trajectory, and he thanked Vanuatu for initiating the process. He supported Fiji's intervention. He emphasised SPC's role as a technical advisor to members but that they were ultimately responsible for defining their positions on critical issues, like deep sea mining. He also thanked Palau for its encouragement of flexibility around implementation modalities.

26. CRGA:

- i. considered the findings of the Friends of the Conference Chair (FCG) report and noted the recommendations contained therein;
- ii. determined that a full independent review of SPC should be undertaken;
- iii. recommended that the Terms of Reference for a full independent review should be determined by CRGA 53 within the context of the Review of the Regional Architecture process, and that the findings of the FCG Report help inform the full independent review;
- iv. requested the Secretariat to take into account issues raised in the Technical Review Report when planning and programming activities in 2023, including in the design of their flagship programmes.

AGENDA ITEM NO. 4: POLYNESIA REGIONAL OFFICE

27. The Director of the Polynesia Regional Office, Leituala Kuiniselani Toelupe Tago-Elisara, presented an update of the progress to date towards establishing the Polynesia Regional Office (PRO), which was approved by CRGA 51 and endorsed by 12th Conference in 2021.

28. A call for Expressions of Interest (EOI) was made in August 2022 and two submissions were received from French Polynesia and the Government of the Kingdom of Tonga. The Evaluation Committee comprised members of the SPC SLT and was chaired by the D-G. The bids were assessed against the criteria as set out in Circular 22/10. A scoring matrix was also used to assess submissions. The outcome of the Evaluation Committee's assessment was submitted to the Polynesian Members Committee (PMC) for their consideration. It was

proposed that further negotiations with the host country be undertaken at the conclusion of the selection process.

29. The D-G considered it an honour for SPC to receive great interest in hosting the PRO, especially as it was critical to defining and achieving SPC's future programme of work in Polynesia. He noted that while the PMC had requested the Secretariat to undertake the evaluation on their behalf according to a pre-defined set of criteria, the validation of the committee's decision rested with Polynesian members.

30. CRGA:

- i. noted the process undertaken to establish the Polynesia Regional Office (PRO);
- ii. approved the recommendation from the PMC that Tonga will host the PRO;
- iii. approved the next steps post-CRGA and Conference in progressing the plans for establishing the PRO.

AGENDA ITEM NO. 5: REGIONAL COOPERATION AND THE 2050 STRATEGY FOR THE BLUE PACIFIC CONTINENT

31. The Deputy Director-General Science and Capability (DD-G S&I) provided an update on SPC's contributions to the development and finalisation of the 2050 Strategy for the Blue Pacific Continent. He reiterated the organisation's commitment to providing the technical advisory support to develop the 2050 Strategy Implementation Plan and inform RRA. Through the 2050 Strategy FOC Subcommittee, the Secretariat would co-lead the technical lead role for Cluster Group 2 (People-centred development) with PIFS and USP and Cluster Group 3 (Ocean and environment; Climate change and disasters) with SPREP. It would also likely be involved in Cluster Group 4 (Resources and economic development and technology and connectivity) with PIFS.

32. Members inquired as to how the RRA would impact the governance of SPC. The meeting agreed that the Secretariat would undertake to represent all members throughout this process to ensure that the views of members were captured in the 2050 Implementation Plan and the RRA.

33. CRGA:

- i. noted the contributions by SPC and CROP to the design and finalisation of the 2050 Blue Pacific Strategy, which was endorsed at the 51st Forum Leaders meeting in July 2022;

- ii. noted the ongoing support from SPC and CROP in progressing the development of the 2050 Implementation Plan, which will be endorsed at the Pacific Islands Forum leaders meeting in the Cook Islands next year; and the Review of the Regional Architecture (RRA), ahead of the Forum Leaders meeting in Tonga in 2024;
- iii. requested the Secretariat to report to CRGA 53 and 13th Conference on progress of the development of the 2050 Strategy Implementation Plan and RRA, and any associated implications this has on SPC.

**AGENDA ITEM NO. 6: PACIFIC COMMUNITY STRATEGIC PLAN 2022–2031 AND
STRATEGIC RESULTS FRAMEWORK**

34. The Secretariat welcomed Papua New Guinea and Samoa as the new Co-Chairs of the CRGA Subcommittee for the Strategic Plan, and commended New Caledonia for its excellent leadership and guidance over the course of its chairing role. The Co-Chair for Samoa and Assistant CEO of Regional Relations at the Ministry of Foreign Affairs, Desna Solofa, then joined the Secretariat to update the membership on progress made by the CRGA Subcommittee for the Strategic Plan 2022-2031, which was approved out-of-session, and the finalisation of the updated Strategic Results Framework (SRF) as detailed in paper 6.
35. Members endorsed the updated SRF, acknowledged the new Subcommittee membership and thanked them for the work undertaken thus far. They applauded the integration of gender-disaggregated data and the incorporation of gender integration and decision-making in the proposed SRF. Members also requested SPC's technical assistance to strengthen efforts at national level in the implementation of the proposed framework as well as in developing their own strategic planning processes.
36. The Secretariat then led members through an interactive session based on two themes under SPC's Key Focus Area 1: Climate capacity building for disaster and climate emergency management; and the Climate and Food Nexus and Climate Finance, including reflections from COP27. Members had the chance to raise questions and engage in dialogue with the Secretariat.
37. CRGA:
 - i. acknowledged the new membership of the CRGA Subcommittee for the Strategic Plan;
 - ii. noted the progress made in implementing the Strategic Plan 2022–2031;
 - iii. endorsed the updated Strategic Results Framework (SRF).

AGENDA ITEM NO. 8: AUDIT AND RISK COMMITTEE REPORT

38. The Chair of the Audit and Risk Committee (ARC), Mr Alain Cairns, presented an update on behalf of the ARC and extended his sincere thanks to the D-G and SLT of SPC for their support throughout 2022.
39. He noted that despite three years of disruption and uncertainty, the organisation's focus had been on business continuity, staff well-being and financial stability. In the Committee's view, increased support for system strengthening across SPC had led to good progress in establishing a systematic approach to risk management, such as the major reform exercise underway in procurement and grants as well as the establishment of an in-house Internal Audit team in 2021. In the Committee's opinion, SPC's biggest risk was currently its growing portfolio of work, which had been exacerbated by the disruption of the pandemic and the organisation's sustained responsiveness and commitment to serving its member countries during this period. Considerations would need to be made regarding the balance between any income received and the costs of implementation as well as the effect of increasing pressure on SPC's systems in implementing this growing portfolio of work.
40. The ARC Chair noted that SPC, despite an expanded audit scope, had received an unqualified opinion on its 2021 Financial Statements and the Committee continued to meet with KPMG regularly to monitor progress.
41. NZ requested an update on the review of development partners and project landscape at SPC. USA thanked and acknowledged the work of the ARC and extended their appreciation to the former Head of the Internal Audit Team, Mr Jose Mendez, for his service. USA welcomed the updates around risk management at SPC and requested further detail on how SPC was monitoring and managing identified risks. USA also requested a progress update on the recruitment of a fourth member of ARC. Kiribati requested information on the backlog of projects and whether this had been considered in the latest audit.
42. The Chair of ARC updated that the report had been tendered to the ARC and noted that it was extremely useful in informing the due diligence process that SPC went through when entering arrangements or discussing new projects with development partners. The Chair announced that a new Director of Internal Audit would commence on 24 January 2023. With regards to risk monitoring and management, he noted that each SPC Division had gone through a risk assessment process related to their area(s) of work and identified specific strategies to manage those risks. Progress had also been made in recruiting a fourth member of the ARC, which would add gender diversity to the Committee. The Chair of ARC noted that work would continue on the project backlog over the next two-year period. The D-G confirmed that the backlog did not have financial implications for SPC due to negotiated no-cost project extensions.
43. CRGA:

- i. noted the report from the Chair of the Audit and Risk Committee (ARC);
- ii. noted that the external auditors have provided an unqualified audit opinion for SPC's 2021 financial statements, and that ARC recommended the acceptance of these statements.

AGENDA ITEM NO. 8: 2022 FINANCIAL PERFORMANCE

44. The Secretariat presented the 2022 revised budget, which noted a surplus of EUR 0.95 million based on a total income of EUR 101.73 million and expenditure of EUR 100.78 million. Core expenditure remained stable versus original budget but the 2022 budget income increased by EUR 2.64 million (+3%) thanks to new restricted funding, higher execution rates and the UK's assessed contribution.
45. The programme and project execution rate (end of Sept 2022) represented 56% of the annual budget and 77% of the prorated budget. The latest forecasted execution rate was approx. 81% of the 2022 revised budget. Variances were due to compliance issues with some implementing partners, delays in recruitments due to high volume and the late lifting of COVID-19 restrictions in the region in 2022. This rate was closely monitored the Secretariat and updated regularly. SPC's PMF rate was 11.1% at the end of September 2022, which was higher than initially budgeted, but remained under the target of 15%. This was due to different PMF rates paid and varying modalities utilised by partners. The current PMF rate funded 55.5% of SPC's total operating costs.
46. CRGA:
 - i. noted the revision of the 2022 budget, with a positive impact on SPC reserves and in accordance with paragraph 39 of the Pacific Community Governance Arrangement;
 - ii. noted the results of the financial performance review, based on the 2022 revised budget;
 - iii. recognised that the timely payment of assessed contributions and host country grants was critical to SPC's financial sustainability and capacity to continue to provide services and programmes to members;
 - iv. urged members that have not yet paid their outstanding contributions to SPC to do so;
 - v. provided guidance to the Secretariat on the review of assessed contributions and host country grants.

AGENDA ITEM NO. 8: 2023 BUDGET INCLUDING REMUNERATION

47. SPC's Director of Finance presented the 2023 SPC Proposed Budget, and while the organisation's financial outlook was positive, he indicated a deficit of EUR 0.52 million, which was driven by necessary investments in SPC's facilities and a late proposal to adjust staff remuneration to align SPC salaries with market conditions and offset the growing effects of inflation in the region. It was proposed that a general market increase of 1% across all position types and location be instituted with a cost impact of EUR 0.33 million. Furthermore, an additional salary increase of 2% for local staff across all locations was proposed with a total cost impact of EUR 0.06 million. He noted that the last market increase was awarded in 2019 and had been frozen through the COVID-19 pandemic period.
48. Potential risks were highlighted for the 2023 budget, including the potential for renewed pandemic restrictions; recruitment challenges; capacity and availability of implementing partners; the increasing compliance requirements from donors; investments required in facilities and support functions; supply chain disruptions; and ongoing global inflation pressures. Proposed mitigation measures were presented, including conservative budget assumptions; strengthening support functions; continuous focus on institutional efficiencies improvement of procurement policies, functions and processes; investments in buildings in Suva; healthy general reserves exceeding EUR 10 million (or five months of operating costs); and a healthy portfolio pipeline totalling EUR 67.8 million.
49. The Secretariat also drew members' attention to the current breakdown of assessed contributions as well as the multi-year project pipeline, which amounted to EUR 67.8 million as of September 2022. The Director of Finance noted that programme funding was increasing year-on-year and he thanked SPC's funding partners for their support. He strongly encouraged all SPC's partners and donors to consider multi-year restricted programme funding, which would enable the Secretariat to be more adaptive and flexible to its members' needs as well as the regional context.
50. Members welcomed the well-balanced financial status of the organisation. Fiji queried the medium-to-long-term risks that came with an increase in project funding, especially in the context of the project backlog. Fiji further requested that the project pipeline be shared with countries for their input and assistance. Kiribati noted the increase in compliance standards and requested further detail from the Secretariat. The representative also queried whether the remuneration proposal would have an implication for project staff. Cook Islands raised the importance of timely payment of assessed contributions by members and, along with New Caledonia, requested an urgent resumption of work on the assessed contributions and host country grants working group. Cook Islands felt that the SPC should not be complacent and must re-assess the relevancy of projects after a long period of disruption.

51. In response to Fiji, the Director of Finance confirmed that programme funding was increasing and the Secretariat was encouraging partners to increase this funding and pay the target PMF of 15%, while deploying various efforts to mitigate future ineligibilities. He also confirmed that remuneration increases would be applied to all project staff. The D-G noted that an example of increased compliance standards to SPC was the pillar assessments undertaken by the EU earlier in 2022, which had required extra effort on the part of the Secretariat. The Director of Finance acknowledged the request to restart the process to re-assess contributions and host country grants. These contributions were critical to good governance but the Secretariat continued to afford flexibility to members around contribution payments.
52. Given the current economic realities in member countries and territories, several members requested that the remuneration proposal be deferred, while other members proposed that, in line with current practices in similar international organisations, the proposed salary increase of 1% for internationally-recruited staff be deferred in favour of locally recruited staff, who should receive a total salary increase of 3%. Several members also expressed support for the remuneration proposal as originally proposed by the Secretariat, to re-enforce fairness and harmonisation across CROP agencies. Australia proposed that the Secretariat present a data-driven analysis of the remuneration proposal for all members to consider and this was integrated into a revised recommendation proposing the establishment of a committee to support the Chair in undertaking an analysis of the regional and global remuneration landscape by April 2023.
53. On the topic of remuneration, the Director of Finance noted members' varied support and alternative proposals on remuneration. The D-G noted that Consumer Price Index (CPI) in the region had increased by 15% and this had impacted SPC's ability to attract high-quality professionals into roles at SPC. Recent remuneration increases had been supported for other CROP agencies with similar memberships to that of SPC, and SPC was thus, comparatively, 3-5% lower paid. CROP harmonisation across all levels, including remuneration, was critical, and D-G requested that members reflect on the message that this sent to SPC staff as to their added value in the region vis-à-vis other CROP agencies.
54. Regarding flexible, multi-year funding, Australia was interested to understand if there was an existing policy to provide a benchmark for negotiations.
55. The D-G noted that the Secretariat had, in many cases, been successful in achieving the target PMF of 15%. Australia and New Zealand were to be commended for supporting SPC in this regard. Ultimately, however, SPC could only influence, not control, the policies of its donor partners.
56. CRGA:
 - i. approved the proposed 2023 budget, inclusive of adjustments in the remuneration plan for positions advertised locally; and start a process to establish a committee

with member input to assist the Chair in conducting a full review of remuneration by April 2023.

- ii. encouraged all development partners to consider adopting a multi-year restricted programme funding modality.

**AGENDA ITEM NO. 9 DIRECTOR-GENERAL'S PERFORMANCE EVALUATION
(Closed session)**

57. CRGA:

- i. endorsed the Standing Committee's assessment that the Director-General has, over the past year, performed in the 'adding value zone'. The CRGA formally recognised the Director-General's excellent stewardship of SPC during the COVID-19 pandemic; his commitment to the organisation and its role in serving members and contributing to regional development; and expressed members gratitude for his leadership during this period;
- ii. noted that the implementation of any salary increase for the Director-General is effective from the beginning of the year following the review period. CRGA has accepted that the Director-General has indicated to forego an increase, and one will not be applied;
- iii. endorsed that for the coming year, the Director-General's additional areas of focus should be the implementation of the new Strategic Plan, strengthened engagement with donors and member countries, and maintaining financial sustainability of the organisation, including through the following;
 - a. CRGA called upon the Director-General to review his 2022 Self-Assessment against the recommendations made by CRGA. The Director-General should realign his 2022 Self-Assessment to ensure that the CRGA recommendations are factored into his 2022 Self-Assessment;
 - b. The Director-General is called upon to establish a Remuneration Committee to conduct a comprehensive salary review of SPC benchmarked against sister CROP agencies, in line with the parameters of the RRA. The comparative analysis of SPC's salary structure, at all levels, should be completed by 30 April 2023;
 - c. The Director-General should ensure the consistent oversight and management of all regional offices and provide the needed leadership and support;
 - d. The Director-General should give focus to the review of the development partner and overall project landscape. There should be continued and consistent engagement by the Director-General with the Members;
 - e. The Director-General should review the host country agreement between SPC and Fiji, as well as New Caledonia.

- iv. noted that the Standing Committee will relay the outcome of this performance assessment to the Director-General following CRGA 52.

AGENDA ITEM NO. 10: CRGA 53 AND 13TH CONFERENCE—VENUE, CHAIRPERSON AND VICE-CHAIRPERSON

58. In accordance with the CRGA Rules of Procedure, CRGA 52 agreed that CRGA 53 would be held in Funafuti, Tuvalu. The Chair of CRGA 53 would be provided by Solomon Islands and the Vice-Chair provided by Tokelau.
59. According to the Rules of Procedure of the Conference of the Pacific Community, the Special Thematic Session of the 12th Conference decided that the 13th Conference of the Pacific Community would also be held in Funafuti, Tuvalu. The Chair of the 13th Conference would be Tuvalu and the Vice-Chair would be New Caledonia.
60. The dates for these meetings would be finalised and members would be notified in due course.
61. CRGA:
 - i. decided that Tuvalu would host and chair the 13th Conference of the Pacific Community;
 - ii. noted that the venue for the meeting of CRGA 53 will be the same as the venue for the 13th Conference of the Pacific Community, and that members will be advised of the meeting dates and location in due course;
 - iii. decided that the Chairperson for CRGA 53 will be provided by Solomon Islands and the Vice-Chairperson by Tokelau.

**AGENDA ITEM NO. 11: OTHER BUSINESS
(For noting)**

AGENDA ITEM NO. 11: PERMANENT OBSERVER STATEMENT

62. The Representative of the EU and the European Commission's Director of Middle East, Central Asia, Asia and Pacific, Mr Peteris Ustubs, thanked members for the honour of addressing CRGA 52 and recommitted the EU's strong commitment to the Pacific region. He expressed the EU's interest in working with SPC members as part of the EU Global Gateway connectivity strategy, which facilitated digital, transport and energy transitions,

as well as strengthened health and education systems, around the world. The EU also valued the strong Pacific voices and support on different Ukraine-related resolutions in the United Nations.

AGENDA ITEM NO. 11: REPORT ON HUMAN RESOURCES

63. The Secretariat provided the Human Resources (HR) Report, which highlighted key initiatives undertaken by the Secretariat's HR Department in 2022.
64. In future iterations, the USA sought more information on the core compliance training modules that would be made available to staff, and rates of participation in the unconscious bias and leadership training. USA also noted SPC's success in attracting qualified candidates and its commitment to gender parity but that it would like to see recruitment percentages alongside each figure. USA signalled further interest in which actions SPC was taking related to misconduct investigations and whistle-blower retaliations.
65. CRGA:
 - i. noted progress in implementing the human resources work programme and key initiatives in alignment with the Operations and Management Directorate's business plan;
 - ii. encouraged the Secretariat to continue investing in health and safety initiatives to meet its objectives of zero accidents and occupational illnesses, elimination of hazards and reduction of risks;
 - iii. directed the Secretariat to continue working to develop a high performing, engaged and diverse workforce as a critical contribution to 'One SPC' and to high-quality service delivery to members;
 - iv. noted the establishment of new salary scales for locally recruited staff in locations where these did not previously exist.

AGENDA ITEM NO. 11: UPDATE ON CRGA 51 DECISIONS AND OUT-OF-SESSION DECISIONS

66. CRGA 52 was provided with an update on the implementation of CRGA 51 and out-of-session decisions.

AGENDA ITEM NO. 11: REPORT FROM THE PACIFIC BOARD FOR EDUCATIONAL QUALITY (PBEQ): A CRGA SUBCOMMITTEE

67. The Secretariat provided the outcomes of the seventh annual meeting of the Pacific Board for Education Quality, a subcommittee of CRGA, as agreed by the members of the PBEQ 24-25 March 2022.
68. CRGA:
- i. noted the report from the seventh annual meeting of the Pacific Board for Educational Quality (PBEQ), which is a subcommittee of CRGA.

AGENDA ITEM NO. 12: EVALUATION OF CRGA 52

69. CRGA 52 responded to questions evaluating the conduct and content of the meeting.

AGENDA ITEM NO. 13: ADOPTION OF CRGA 52 DECISIONS

70. The Chair made closing remarks and thanked Solomon Islands for its chairing of the drafting committee. She registered her sincere thanks and gratitude to the Government of Vanuatu for their hosting. She also thanked members for their hard work and support, and acknowledged the work and arrangements made by the Secretariat to facilitate the meeting and its deliberations.
71. Fiji expressed thanks to the Chair for her able guidance through the meeting and extended its deep appreciation to the Government and people of Vanuatu for hosting the deliberations over the two days as well as Secretariat staff for facilitation of the meeting.
72. The D-G made closing remarks and thanked the distinguished delegates for their efforts in guiding SPC in its work. He thanked the Government of Vanuatu for its extensive work and collaboration in preparing this meeting together with the Secretariat.
73. CRGA 52 adopted its decisions.
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