

SOPAC

GOVERNING COUNCIL 37th SESSION

Funafuti, Tuvalu
22-30 October 2008

AGENDA ITEM	TITLE
10	ESTABLISHMENT AND ADMINISTRATION
10.1	Paragraphs 251 and 252 – Proceedings of AS36 (RIF)

Purpose

To report to the SOPAC Governing Council on the inter-sessional work carried out by the SOPAC Committee of the Whole on their decision taken as articulated in paragraph 251 and 252 of the Summary of Proceedings for the 36th Session of the SOPAC Governing Council Session related to the Regional Institutional Framework (RIF).

Background and Comments

Council will recall that in Paragraph 19(b) of the Forum 2007 Communiqué the *need to rationalise the functions of SOPAC with the work programmes of SPC and SPREP, with the view to absorbing those functions of SOPAC into SPC and SPREP* was articulated.

At their 36th Annual Session the SOPAC Governing Council considered paragraph 19(b) and decided to respond positively to paragraph 19(b) and agreed to establish a Committee of the Whole (SCW) to progress their decision through providing guidance to the Director of SOPAC in her engagement with the chief executive officers of SPC and SPREP toward developing a roadmap for the rationalisation process. Paragraphs 251 and 252 of the Summary Record of the 36th Annual SOPAC Governing Council Session is attached (Annex I).

The SCW met three times before the Forum Leaders meeting in August 2008 and decided to invite the Chairs and CEOs of PIFS, SPC, SPREP as well as member States of SPC and SPREP who are not SOPAC members to participate in the SCW. In addition to this the CEOs of the mentioned organisations met on two occasions with senior professionals of the respective agencies meeting on two occasions to elaborate rationalisation to ensure improved delivery of regional services. The SCW convened a 4th meeting following the 2008 Forum Leaders meeting, as well as the SPREP Council meeting to consider the governing body decisions of SPREP and PIFS and based upon these to discuss and decide on the nature of their report, with its related recommendations for a way forward, to be tabled to the 37th Session of the SOPAC Governing Council. The report of the SCW to Council can be found at Annex II, with the minutes of all four SCW meetings annexed under Annex III (electronic version only).

In August 2008 Forum Leaders under their 2008 Forum Communiqué further elaborated on the RIF by being more specific about timelines and the process for rationalisation and absorption to be realised, with implementation to commence no later than January 2010 (see Attachment 1 to Annex II of this paper).

In early September 2008, the SPREP Council considered both the matter of the RIF for the first time. Their provisional decision is attached to the Report of the SCW.

Further supplementary papers are expected to inform Council of the CRGA decision of the SPC to be held a week in advance of the 37th Annual Session of the SOPAC Governing Council, as well as a summary of the key findings of the legal assessment commissioned by SOPAC which focuses on Article 16 of the Agreement with regard to the “dissolution” or “suspension” of the Commission.

Recommendations

Council is invited to consider the attached Report (Annex II) of its Committee of the Whole on the RIF; and review its Recommendations for a way forward.

ANNEX I**Paragraphs 251 and 252 of the Summary Record of the 36th Annual SOPAC Governing Council Session**

251. In conclusion Council:

i) noted that the core business of SOPAC is excellence in applied scientific and technical information and knowledge of earth systems, and demonstrating how this knowledge contributes to sustainable development for its island members.

ii) noted that SOPAC has grown substantially over the past 35 years in many aspects into a well-established, and well respected regional organisation serving its Pacific Island members in developing natural resources, principally non-living resources, in a sustainable manner and strengthening resilience through integrated solutions in its three programme areas: Ocean and Islands management, Community Lifelines development and Community Risk management.

iii) recognised that partners currently identify with SOPAC to the extent that the Commission now enjoys a substantial, annual budget which includes the attraction of non-traditional “new” money to support service delivery to its members.

iv) recognised further that throughout its existence the Commission has been regularly “reviewed” in regard to its future, its role, and its direction, to which it has responded positively and emerged with improved and strengthened delivery of services to its members.

v) noted that some members expressed concern that whilst the 2007 Leaders’ Communiqué does not call for a review of SOPAC, it in fact goes further to suggest radical changes to SOPAC, but is not supported by any evidence of due diligence and consideration by members during the RIF process.

vi) acknowledged with concern that change processes increase demands on the Secretariat, and cause stress on the staff, that will impact current levels of service delivery.

vii) is fully cognisant of the need to maintain the momentum established by the Leaders decision, in order to ensure the continuity in both the quality and effective delivery of service in meeting the needs of the people.

viii) recognised the critical need to adhere to a set of principles of:

- Transparency;
- Timeliness;
- Cost effectiveness;
- Focus on the RIF objective of creating an institutional framework that further improves service delivery to PICTS and assists with effective implementation of the Pacific Plan;
- Consideration of staff welfare;
- The need to address the full range of legal, organisational, administrative, governance, membership and financial implications.

252. Council therefore:

i) Agreed to accept the challenge offered by the 2007 Leaders’ Communiqué which states “the need to rationalise the functions of SOPAC with the work programmes of SPC and SPREP, with the view to absorbing those functions of SOPAC into SPC and SPREP”.

ii) Agreed the following course of action as a way forward in responding to the Leaders’ decision:

- a) that a Committee of the “SOPAC Council as a Whole”, be established and adequately resourced, to guide and advise the Director during the consultative process with the Terms of Reference to be agreed at its first meeting.
- b) that the Director of SOPAC engage in a consultative process with the Director General of SPC and Director of SPREP, with the option of engaging the Secretary General of PIFS as

appropriate, providing regular briefings to the Chair of SOPAC Governing Council in the preparation of a draft road map to be submitted to the SOPAC Governing Council for consideration and approval with the intent of a final road map submitted to the Forum by 2010.

- c) that during this consultative process some of the issues to be considered will include:
- Proposing possible options for rationalisation and possible organisational models for the new arrangements taking into account realities such as the wider range of technical programmes, the possible rationalisation of certain common support services, the geographic location, and the membership differences.
 - Examining the costs and benefits of the options considered during the process, the technical programmes, the memberships, and the external supporting agencies, identifying opportunities for improved service delivery.
 - Proposing a realistic timing for implementation that would need to be taken into account including practical, legal, contractual obligations, and or any other problems that might require prior resolution as a result of rationalisation.
 - Finding a mechanism that will enable the benefits of STAR to be continued.
- d) to emphasise to all stakeholders, especially members, donor partners, and Secretariat staff that in the interim the Commission would continue with its current work and efforts to secure resources for sustained service delivery keeping in mind consultations with the Director General of SPC and Director of SPREP.
- e) to immediately respond by writing to the Forum Chair, Chairs of the SPC and SPREP Governing Councils, Chair of STAR, donor partners and key stakeholders advising of the outcomes of its consideration of the issue at the 2007 Council Meeting.

ANNEX II**Report of the SOPAC Committee of the Whole to the SOPAC Governing Council****SCW Progress Report to the SOPAC 37th Session**

Submitted by:

Honourable Siosaia Tuita
Minister for Lands, Survey, Natural Resources
Kingdom of Tonga

Chair of SCW and SOPAC Governing Council

EXECUTIVE SUMMARY

Since the SOPAC Council Decision taken in 2007, in Tonga, with respect to the RIF the Committee of the Whole of SOPAC Council on the RIF (SCW) was convened. Its first meeting was held at SOPAC in March; and a TOR along with a work plan for the Director of SOPAC was agreed.

The SCW has since its first meeting in March, met on three other occasions (in June, July and September respectively and summary records of all four meetings are appended to this Progress Report to Council

The following key activities under the Director's work programme on the RIF were undertaken:

- 1) Several CEO Trilaterals among the CEOs of SPC, SPREP and SOPAC.
- 2) Two Programme Trilaterals convened for the technical managers of SPC, SPREP and SOPAC in May and June.
- 3) A Legal Assessment commissioned in April with the final draft of the report received in July.
- 4) A Progress Report to the 2008 Forum Leaders' Meeting was prepared for the Chair and submitted in August.
- 5) A Progress Report to the SOPAC Council for its 37th Session (this report) was discussed at the SCW's fourth meeting in September and completed.

Recommendations

SOPAC Council is invited to:

- 1) take into account the 2007 and 2008 Forum Communiqués relating to the RIF Review (see Attachment 1).
- 2) take into account the 2008 SPREP Council and Pacific Community CRGA decisions on the RIF (see Attachment 2).
- 3) recognise the need to consider the legal, financial, administrative, and programmatic implications for absorbing SOPAC functions into SPREP and SPC.

- 4) direct the Director of SOPAC to engage collaboratively with the CEOs of SPREP and SPC immediately following the 2008 SOPAC Council Meeting to determine and jointly identify proposed institutional arrangements based on an analysis of:
 - (a) synergies and linkages between programmes
 - (b) optimizing service delivery
 - (c) organizational capacities
 - (d) maintaining the integrity of the applied science and technical services
- 5) direct the Director of SOPAC to work with the other CEOs to provide joint, formal quarterly updates on progress and to seek and share the views of, and give due consideration to all members of SPREP, SPC and SOPAC.
- 6) encourage the Director of SOPAC to provide regular briefings to members with Suva-based representation, as well as regular email updates to all members.
- 7) direct that the Director of SOPAC in collaboration with the CEOs of SPREP and SPC, jointly commission an independent analysis of the legal, financial, administrative and programmatic implications of their proposed institutional arrangements, avoiding duplication of work already undertaken.
- 8) direct the Director of SOPAC to work with the other CEOs to ensure that the proposed institutional arrangements and analysis of implications are circulated to all member focal points of SPREP, SPC and SOPAC with an invitation for a representative from each Member country to attend a meeting of all countries and territories for consideration by May 2009.
- 9) direct, subject to the guidance of the above-referenced meeting, the Director of SOPAC to work collaboratively with the CEOs of SPREP and SPC to finalise and jointly recommend new institutional arrangements and implementation plans, to be provided to Members by July 2009, for consideration and decision by their respective Governing Bodies in 2009.
- 10) agree that it will meet to consider the institutional arrangements and implementation plan recommended by the three CEOs before the next Pacific Islands Forum Leaders meeting in 2009.

PREAMBLE

- 1) Following the 2007 Leaders Meeting, the SOPAC Governing Council considered paragraph 19(b) of the Communiqué which states “*the need to rationalise the functions of SOPAC with the work programmes of SPC and SPREP, with the view to absorbing those functions of SOPAC into SPC and SPREP*”.
- 2) The Council agreed to accept the challenge offered by the 2007 Leaders Communiqué. In arriving at their decision the Council noted *inter alia* that:
 - (a) The core business of SOPAC is excellence in applied scientific and technical information and knowledge of earth systems, and demonstrating how this knowledge contributes to sustainable development for its island Members.
 - (b) SOPAC has grown substantially over the past 35 years in many aspects into a well-established, and well respected regional organisation serving its Pacific Island Members in developing natural resources, principally non-living resources, in a sustainable manner and strengthening resilience through integrated solutions in its three programme areas: Ocean and Islands management, Community Lifelines development and Community Risk management.
 - (c) Council is fully cognisant of the need to maintain the momentum established by the Leaders decision, in order to ensure the continuity in both the quality and effective delivery of service in meeting the needs of the people.
- 3) During the debate on this issue Members generally agreed that the processes for rationalisation neither disrupt service delivery; nor subject SOPAC’s current work programmes to fragmentation; and that the excellent science being mobilised through the STAR network must be retained as a highly valued resource for the region.
- 4) The SOPAC Governing Council agreed to establish a Committee of the Whole (SCW) on the Regional Institutional Framework to meet during the period between Council meetings. At its first meeting it agreed on its Terms of Reference.
- 5) During 2008 the Committee met 4 times, 19th March, 4th June, 16th July and 16th September, respectively. Representatives attended from the following Member countries: Australia, Cook Islands, Federated States of Micronesia, Fiji Islands, Kiribati, Marshall Islands, Nauru, New Zealand, Papua New Guinea, Tonga and Tuvalu together with the CEO of the SOPAC Secretariat. Participating observers from the USA, France, PIFS, and including the CEOs of the SPC and SPREP Secretariats were invited to attend the second and subsequent meetings.
- 6) The summary records of the four Committee meetings are annexed to this report (see Attachment 3).

TERMS OF REFERENCE FOR THE COMMITTEE OF THE “SOPAC COUNCIL AS A WHOLE” (SCW)

- 7) The SOPAC Governing Council during its 36th Annual Session meeting made the following decision:
 - (a) Agreed to accept the challenge offered by the 2007 Leaders Communiqué which states “*the need to rationalise the functions of SOPAC with the work programmes of SPC and SPREP, with the view to absorbing those functions of SOPAC into SPC and SPREP*”.

- (b) Agreed the following course of action as a way forward in responding to the Leaders decision:
- (i) Agreed that a Committee of the "SOPAC Council as a Whole", be established and adequately resourced, to guide and advise the Director during the consultative process with the Terms of Reference to be agreed at its first meeting.
 - (ii) Agreed that the Director of SOPAC engage in a consultative process with the Director General of SPC and Director of SPREP, with the option of engaging the SG of PIFS as appropriate, providing regular briefings to the Chair of SOPAC Governing Council in the preparation of a draft road map to be submitted to the SOPAC Governing Council for consideration and approval with the intent of a final road map submitted to the Forum by 2010.
 - (iii) Agreed that during this consultative process some of the issues to be considered will include:
 - Proposing possible options for rationalisation and possible organisational models for the new arrangements taking into account realities such as the wider range of technical programmes, the possible rationalisation of certain common support services, the geographic location, and the Membership differences.
 - Examining the costs and benefits of the options considered during the process, the technical programmes, the Memberships, and the external supporting agencies, identifying opportunities for improved service delivery.
 - Proposing a realistic timing for implementation that would need to be taken into account including practical, legal, contractual obligations, and or any other problems that might require prior resolution as a result of rationalisation.
 - Finding a mechanism that will enable the benefits of STAR to be continued.
 - (iv) Agreed to emphasise to all stakeholders, especially Members, donor partners, and Secretariat staff, that in the interim the Commission would continue with its current work and efforts to secure resources for sustained service delivery keeping in mind consultations with the Director General of SPC and Director of SPREP.
 - (v) Agreed to immediately respond by writing to the Forum Chair, Chairs of the SPC and SPREP Governing Councils, Chair of STAR, donor partners and key stakeholders advising of the outcomes of its consideration of the issue at the 2007 Council Meeting.
- 8) To implement the SOPAC Council decision (Summary Record of 36th SOPAC Session, paragraph 252(ii) a), the Committee agreed that its Terms of Reference is as follows:
- (a) Examine the work programme of SOPAC with a view to identifying which activities they consider may be rationalised and absorbed within SPC and/or SPREP.
 - (b) Examine how these activities of priority to the Island Member States may be delivered more effectively and efficiently, including governance and funding aspects.
 - (c) Consider and comment on progress reports from the Director on her discussion with the CEOs of SPC and SPREP and other key SOPAC stakeholders, as the CEOs consider options toward preparing a draft roadmap.
 - (d) Ensure adequate resources are provided for the Director to carry out the tasks required.
 - (e) The Chair of the Committee to report to Council at its next session.

SOPAC DIRECTOR'S WORK PROGRAMME

- 9) At the first SCW meeting it was agreed that the Director was expected to:
- (a) Hold the first in a series of trilateral discussions with the CEOs of SPC and SPREP, in time to report the outcome to the second SCW meeting tentatively scheduled for mid-May.
 - (b) Present a more elaborate 'rationalisation at a glance' picture capturing the substance of trilateral discussions that would show the trends emerging in terms of institutional arrangements, at the May meeting.
 - (c) Provide a progress report on the legal assessment; and findings on contractual agreements SOPAC currently has with donors; also at the May meeting.
 - (d) Further articulate the preferred institutional arrangements after SCW advice received at the May meeting.
 - (e) Elaborate on a draft roadmap to implement or achieve the preferred institutional arrangement(s).
 - (f) Commission benefit-cost analyses between the second and third meetings (tentatively scheduled for mid-July) on the narrowed field of institutional arrangement options.
 - (g) Prepare documentation to report on progress to the SOPAC Governing Council in October 2008.

CONSIDERATION OF OVERARCHING ISSUES

10) During its meetings the Committee had discussions around a number of issues that are summarised below.

11) **The Road Map and Responsibilities** – Whilst SOPAC Council had decided to have ownership and take the lead in this process, equally important is that wherever the components of the current SOPAC work programme are to be placed institutionally there is a need to be assured from that governing body or bodies that service support to island Members currently provided through SOPAC will continue and will improve.

12) In SOPAC's programme the underlying framework is that applied geoscience, technology and social science are integrated into unified and multifaceted outputs allowing for evidence-based policy and strategy formulations. It allows for better informed and more realistic decisions regarding policies and strategies by clients and Members to achieve desired outcomes such as improved coastal management, resource use, and disaster risk management. This concept is not unique but it is critical, and recognition of it is essential in the proposed rationalisation, absorption and new institutional arrangements exercise.

13) **Rationalisation First, Then Absorption Follows** – Necessarily, initial tasks of the road map process are dominated by examining issues surrounding rationalisation; (i) what are the guiding principles; (ii) an examination of the SOPAC, SPC and SPREP work programmes to determine what elements of the SOPAC work programme may be rationalised and (iii) what the preferred new institutional arrangements might be.

14) SCW, having reached agreement on what rationalisation will look like (what the preferred future institutional arrangements will be), will also by that time need to determine the process of absorption and have addressed and resolved any legal and contractual implications.

15) **Managing the Change Process (the Road Map) to ensure a Sustainable Outcome** – Before the change process can be determined, finalised and managed, the outcome of the change process needs to be considered and agreed upon in order that sustainability is

addressed and assured. It will also be necessary to set a timeline framework for the change process.

16) **Improved Service Delivery and Effectiveness** – In order to guide further development of the road map, SCW continues to revert to the issue of “improved service delivery and effectiveness”, and recognises that this must be demonstrated as it remains an underlying purpose of the regional institutional framework.

17) **Plans for Absorption** – “Due Process” within the context of SOPAC Council responding positively to the Leaders Communiqué, will require that each of the proposed recipient organisations (SPC) and /or SPREP) must develop a plan for absorption to: (i) support their claims in regard to SOPAC’s work programmes; (ii) demonstrate how they will absorb, sustain and improve service delivery and effectiveness; and (iii) retain the services to the region of STAR. The SOPAC Director cannot take responsibility for the development of these plans, as there is no ultimate accountability since the position will have been terminated depending on the institutional arrangements outcome. The SOPAC Director will however, be required to provide any necessary data and information, particularly that pertaining to current circumstances, and which may well be used as a starting point to measure improved service delivery and effectiveness.

18) **Due Diligence** – The application of “Due Process” will require SCW to ensure due diligence checks on each of the plans for absorption, as an independent means of validation. These checks must be completed before the SCW can make a decision. As the SOPAC Director will not have responsibility for developing these plans, she will be an option for facilitating the due diligence checks.

TRILATERAL MEETINGS BETWEEN SPC, SPREP AND SOPAC

19) At the first SCW Meeting it was agreed the SOPAC Director begin trilateral consultations with the CEOs of SPC and SPREP at the earliest opportunity and that the trilateral exercise would be a first step in which the CEOs can bring together their knowledge of what each organisation was doing, and narrow the options for the new institutional arrangement.

20) During the first half of 2008 the CEOs met twice (16/18th April and 5 June). In addition two trilateral meetings at Programme Level have been convened (15/16th May and 23/24th June).

21) As of the date of this report considerable time has been dedicated to these trilateral meetings by the participating organisations. In addition to preparatory time, some 11-16 senior staff have been committed over a four-day period supported by an independent Facilitator. Discussions at this level have progressed well but remain incomplete. Staff from each of the Secretariats have acknowledged the immediate benefits gained from the opportunity to become better informed about the respective work programmes.

22) It is clear from the meetings that the ultimate objective, regardless of the final institutional arrangement, is that SOPAC’s work programme should remain intact and net improvement in service delivery realised. Furthermore, during discussions there was no clear elaboration on the issue of how “all round” improvement of service delivery would be realised. It was acknowledged that during the discussions SOPAC staff had not expressed any preference toward either of the potential receiving organisations.

23) At the conclusion of the 2nd Programme Trilateral Meeting it was agreed that:

- (a) Meaningful progress from this point could only be achieved by having the respective, receiving organisations (SPC and SPREP) develop plans outlining how they will absorb all of the services and functions of SOPAC and demonstrate how the delivery of services and functions of SOPAC and the receiving organisation will be

improved as a result of absorption. This would need to commence following consideration of paragraph 19b of the 2007 Leaders' Communiqué by the SPREP Council.

- (b) The full merits of the trilateral proceedings combined with the absorption plans would need to be considered by the CEOs and ultimately by the respective governing bodies of SPC, SPREP and SOPAC.
- (c) SPREP coordinate, out-of-session, the ToR for developing SPC and SPREP plans for absorption.
- (d) SOPAC to collate and make available all relevant documents.

LEGAL CONSIDERATIONS

24) The third SCW meeting received a draft legal assessment prepared in accordance with the following Terms of Reference. Members have yet to consider the report. The objective of this assessment is to address the full range of legal issues that the SOPAC Members must consider, should the eventual outcome be dissolution or suspension of the Commission.

25) The Agreement Establishing SOPAC (1990), in Article 4 establishes the legal status, privileges and immunities of the Commission. Article 16 addresses the issues of dissolution and suspension.

26) **Terms of Reference** – The Consultant is required to carry out the following tasks and report to the SOPAC Director:

- (a) Examine the legal obligations, if any, that the SOPAC Council has to the Pacific Islands Leaders Forum, and thereby any requirements for a response from SOPAC Council to a Pacific Islands Forum Leaders Communiqué.
- (b) In regard to dissolution and suspension (Article 16):
 - (i) Clarify the legal processes and their implications that differentiate between dissolution and suspension of the Commission; and in regard to a resolution to suspend the Commission, describe possible options for suspension being terminated and the organisation revived.
 - (ii) A decision to dissolve or suspend requires ratification by two thirds of the Members. Examine the process(es) that will be required at the national level to enable countries to ratify such a decision.
 - (iii) Consider options for the eventuality that two thirds of the Members are not in a position to ratify by the time of the next annual session, and thereby not able to make a decision on the date of dissolution or suspension of the Commission.
 - (iv) Provide options for the Commission to consider in order to decide on the manner in which the assets and obligations of the Commission should be liquidated, distributed or borne.
- (c) Comment on the possible legal implications for SPC and SPREP of absorbing any, or all, of SOPAC's work programme functions.
- (d) Provide comments on any other legal issues the Consultant may consider relevant.

THE ROAD MAP FOR A WAY FORWARD AND POSSIBLE TIMELINES

27) The SCW considered the following as a way forward and possible timelines to progress the Council decision on this matter.

Step 1: Rationalisation

28) The first step to rationalise the SOPAC work programme and its activities with those of SPC and SPREP has commenced through trilateral meetings. In the first SCW the SOPAC Director presented "Rationalisation at a Glance". The Committee appreciated that there were various ways and levels of detail, that one could consider in this task to rationalise SOPAC's work programme.

29) Key to this step is addressing the applied technical and scientific aspects of SOPAC's work programme, as these are considered excellent and must not be allowed to be put at risk or compromised. It must be demonstrable and not intuitive that: (i) the integrity of the applied science and technical services are maintained; (ii) linkages, and synergies exist; and (iii) improved service delivery will result.

30) It is agreed at various levels that that SOPAC's work programme should as far as necessary be kept "together" in one institution and thus not jeopardise the established practice in SOPAC of the production of "integrated solutions" across the programme of work. Indeed, the linkages and synergies should demonstrate new and a broader range of integrated solutions. Independent advice to examine and recommend optimum Institutional Arrangement Options for Rationalisation is being sought, with a TOR for this initiative under development for both rationalisation and then absorption plans to be realised.

Step 2: Institutional Arrangements

31) SCW 1 was presented with 5 options for future institutional arrangements:

- (a) Option 1: Fragmentation: In effect a process not unlike an auction, implicitly adhoc, and with the possibility that elements of the work programme will be lost. The record of the Council discussion clearly indicates that this option must not emerge.
- (b) Option 2: SOPAC work programme absorbed fully into SPC: This option of course was considered at length in 1999-2000, and the outcome at that time was in effect the status quo. In the interim institutional arrangements have changed in both organisations, for example SOPAC Council now has a well-developed Strategic Plan 2005-09 and new work programme structure. It is timely to review this option drawing upon the 1999 review report.
- (c) Option 3: SOPAC work programme absorbed fully into SPREP: This option has never been considered at length and clearly this task must be undertaken before the Committee can complete its work.
- (d) Option 4: SOPAC work programme absorbed substantively into either SPC or SPREP with the balance into the other: Clearly, arrangements to bring into effect this option will emerge as a result of the outcome of consideration of Options 2 and 3.
- (e) Option 5: SOPAC work programme remains stand alone: Arrangements to bring into effect this option will emerge as a result of the outcome of consideration of Options 2 and 3, which may provide the opportunity to rationalise the services of all three technical organisations under Pillar Two.

32) The ongoing trilateral discussions will report to SCW with regard to the preferred institutional arrangement as these discussions mature. In the meantime copies of this Progress Report and other reports of the SCW will be shared with Members and Observers that are participating in this process.

Step 3: Development of Plans for Absorption

33) The SCW recognises that plans for absorption should be developed and agreed upon before a decision can be made by SOPAC Council, as the handover organisation, to the governing body of the receiving organisation. The CEO trilateral has outlined their preference that the plans for absorption be non-competitive and currently a Terms of Reference framework is being developed.

Suva

Tuesday, 13 January 2009

34) It is expected that these plans should be developed over a period of two to three months. The SCW acknowledged that it can only encourage these CEOs to carry out this work. However in realising this, the SCW hoped that the relevant governing bodies appreciate the need to sanction this work.

35) The CEOs of SPC and SPREP should take responsibility for these plans, and will be supported as necessary by the CEO of SOPAC.

Step 4: Due Diligence

36) Both plans for absorption would be subject to independent due diligence checks initiated by the SCW. It is expected these checks should require no more than one to two months. When the plans for absorption and their accompanying due diligence checks are completed they will be considered by the SCW.

Step 5: Other Assessments Completed

37) SCW should have received and considered any other assessments commissioned by them no later than when they consider the plans for absorption and the due diligence checks.

Step 6: SCW Finalises its Work

38) By July/August 2009 SCW should be in a position to prepare recommendations to Council.

Step 7: Absorption

39) By the end of October 2009, all relevant governing bodies should have completed their consideration of this matter leaving implementation (absorption) to commence by 1 January 2010. It may be useful to consider having these three governing bodies meet concurrently in the same location in 2009 in order to have a one day high-level joint session to endorse the way forward.

40) In accord with the timelines in the Council decision, the SCW will continue its work, and report to the SOPAC Council to be held from 22 to 29th October in Funafuti, Tuvalu. In the interim the SCW will need to convene as required to consider responses to this report from the Leaders Meeting and the SPREP and SPC governing council meetings to be held during the early September to mid October period.

41) In the future, beyond the SOPAC Council meeting, it is anticipated the SCW will need to continue to meet to finalise its work by July/August 2009.

ATTACHMENTS to ANNEX II**Attachment 1****EXTRACTS FROM 2007 & 2008 FORUM COMMUNIQUÉS****Para. 19b, 2007**

REGIONAL INSTITUTIONAL FRAMEWORK REVIEW

19. Leaders agreed to:

- (a) the inclusion of the Pacific Islands Forum Fisheries Agency (FFA) into Pillar 1, in order to recognise the Agency's central regional role and to provide fisheries issues with the political profile they require;
- (b) the need to rationalise the functions of the Pacific Islands Applied Geoscience Commission (SOPAC) with the work programmes of the Secretariat of the Pacific Community (SPC) and the Secretariat of the Pacific Regional Environment Programme (SPREP) with the view to absorbing those functions of SOPAC into SPC and SPREP;
- (c) the South Pacific Bureau for Education Assessment (SPBEA) merging into SPC; and
- (d) the University of the South Pacific (USP) and the Fiji School of Medicine forming part of Pillar 3 (Education).

Para. 20, 2008

REGIONAL INSTITUTIONAL FRAMEWORK REVIEW

20. Leaders:

- (a) recalled their 2007 decision on the rationalisation of SOPAC functions into SPC and SPREP, without any substantive diminution in SOPAC functions, and the merger of South Pacific Board for Educational Assessment (SPBEA) with SPC;
- (b) expected that all work to define the new institutional arrangements, as well as plans for implementing those arrangements, will be finalised and jointly agreed by the CEOs of the relevant agencies for presentation to Leaders at the 2009 Leaders' meeting; and
- (c) directed their representatives on the Governing Councils of the SPC, SOPAC, SPREP and SPBEA in 2009 (and prior to the Leaders' meeting) to take all the final decisions on the new institutional arrangements and implementation plans, with implementation to commence immediately after the Governing Council meetings and no later than 1 January 2010.

Attachment 2

SPREP Provisional Recommendations on the RIF 2008

SM19 (Sept.08) Agenda Item 10.3: Regional Institutional Framework (RIF) Review

Recommendations

1. In view of the 2008 Pacific Island Forums Leaders' communiqué para 20 (a), (b) and (c) (circulated separately), and discussions at the 19SM Informal Session on 7 September, the Secretariat has revised its recommendations for Agenda Item 10.3 as follows:
2. The Meeting:
 - **considered** the information provided on the RIF review and its reports;
 - **took into account** the 2007 and 2008 Forum Leaders' decisions on the RIF review (attached);
 - **considered** the opportunities to strengthen the region's environment organisation that would be provided by rationalization of SOPAC functions, in whole or part, into SPREP;
 - **recognised** the need to consider the legal, financial, administrative, and programmatic implications for absorbing SOPAC and/or its functions, in whole or in part, within SPREP,
 - **directed** the Director of SPREP to engage *collaboratively* with the CEOs of SOPAC and SPC immediately following the 2008 SOPAC Council Meeting to determine and jointly identify proposed institutional arrangements based on an analysis of:
 - a. synergies and linkages between programs
 - b. optimising service delivery
 - c. organisational capacities
 - d. maintaining the integrity of the applied science and technical services
 - **directed** that the Director of SPREP, in collaboration with the CEOs of SOPAC and SPC, jointly commission an independent analysis of the legal, financial, administrative, and programmatic implications of their proposed institutional arrangements;
 - **directed** the Director of SPREP to propose to the other CEOs that the proposed institutional arrangements and analysis of implications are circulated to all member focal points of SPREP, SPC and SOPAC with an invitation for a representative from each Member country to attend a meeting of all countries and territories for consideration by May 2009;
 - **directed**, subject to the guidance of the above-referenced meeting, the Director of SPREP to work collaboratively with the CEOs of SOPAC and SPC to finalise and jointly recommend new institutional arrangements and implementation plans, to be provided to Members by July 2009, for consideration and decision by their respective Governing Bodies in 2009;
 - **agreed** that the SPREP Meeting meet to consider the institutional arrangements and implementation plan recommended by three CEOs before the next Pacific Islands Forum Leaders' meeting in 2009;
 - **directed** the Director of SPREP in his deliberations on new institutional arrangements to take account of the ICR recommendations and implementation;

- **directed** the Director of SPREP to propose to the other CEOs to provide a joint quarterly update on progress and to seek and share the views of, and give due consideration to, all members of SPREP, SPC and SOPAC.

SPC CRGA Decision 2008

To be provided when available.

Attachment 3**Summary Records of the four SOPAC Council of the Whole Meetings of March, June, July and September 2008**

SUMMARY RECORD**1st Meeting of the SOPAC Council Committee of the Whole (SCW)
on the Regional Institutional Framework (RIF)****SOPAC Secretariat
Wednesday, 19 March 2008**

- 1) The first meeting of the SOPAC Council Committee of the Whole (SCW) on the Regional Institutional Framework was held at the SOPAC Secretariat on Wednesday, 19 March 2008. The SCW was established according to the decision of the SOPAC Governing Council at its 36th Session, on the way forward to respond to the Pacific Forum Leaders' decision, referenced Para.19b of the 2007 Leaders' Communiqué.
- 2) The following member countries were represented: Tonga (Chair), Australia, Cook Islands, Federated States of Micronesia, Fiji Islands, Kiribati, Marshall Islands, Nauru, New Zealand, Papua New Guinea, Tonga and Tuvalu. A list of participants is attached (Annex 1).
- 3) The Honourable Siosaia Tuita, Minister of Lands Survey, Natural Resources and Environment of Tonga, chaired the meeting. His opening address to the Committee is attached (Annex 2).

Agenda Item 1 – Adoption of Agenda

- 4) The Agenda adopted for the meeting is attached as Annex 3. An annotated agenda was also provided to guide the meeting discussions, see the RIF CD provided with this Summary Record.

Agenda Item 2 – Documentation

- 5) All the SCW meeting documentation and background papers are available online to Council members on the SOPAC website <www.sopac.org>. Apply to the Director of the SOPAC Secretariat for the access codes to the dedicated page. CD versions of the same online compilation will be available from time to time; especially to coincide with SCW meetings.

Agenda Item 3 – Actions since Council Meeting

- 6) These actions are amply summarised in the Annotated Agenda (SCW01/1.1); and elaborated on by the Director see the Minutes of the First SCW in Annex 4.

Agenda Item 4 – Purpose of the SCW

- 7) The Committee agreed that its purpose was clearly stated in the SOPAC Governing Council Decision, which was to “guide and advise the Director during the consultative process”.

Agenda Item 5 – Terms of Reference for the Work of the SCW

- 8) The SOPAC Governing Council also agreed in November 2007 that the SCW would agree a Terms of Reference (TOR) for its work at its first meeting.

*Suva
Tuesday, 13 January 2009*

9) The TOR aspect referring to resourcing of the Director to carry out tasks set by the SCW was debated at some length. The Committee acknowledged that it was not only SOPAC's task to resource the rationalisation initiative. This coupled with the uncertainty as to the SCW's mandate to approve resources for the Director; the following Terms of Reference was adopted subject to the Director providing some indicative costs for submission to Council for their approval and clarification as to the SCW's mandate on resources.

TERMS OF REFERENCE:

The SOPAC Governing Council during its 36th Annual Session meeting made the following decision:

- (b) Agreed to accept the challenge offered by the 2007 Leaders Communiqué which states “the need to rationalise the functions of SOPAC with the work programmes of SPC and SPREP, with the view to absorbing those functions of SOPAC into SPC and SPREP”.
- (c) Agreed the following course of action as a way forward in responding to the Leaders decision.
- (i) Agreed that a Committee of the “SOPAC Council as a Whole”, be established and adequately resourced, to guide and advise the Director during the consultative process with the Terms of Reference to be agreed at its first meeting.
- (ii) Agreed that the Director of SOPAC engage in a consultative process with the Director General of SPC and Director of SPREP, with the option of engaging the SG of PIFS as appropriate, providing regular briefings to the Chair of SOPAC Governing Council in the preparation of a draft road map to be submitted to the SOPAC Governing Council for consideration and approval with the intent of a final road map submitted to the Forum by 2010.
- (iii) Agreed that during this consultative process some of the issues to be considered will include:
- Proposing possible options for rationalisation and possible organisational models for the new arrangements taking into account realities such as the wider range of technical programmes, the possible rationalisation of certain common support services, the geographic location, and the membership differences.
 - Examining the costs and benefits of the options considered during the process, the technical programmes, the memberships, and the external supporting agencies, identifying opportunities for improved service delivery.
 - Proposing a realistic timing for implementation that would need to be taken into account including practical, legal, contractual obligations, and or any other problems that might require prior resolution as a result of rationalisation.
 - Finding a mechanism that will enable the benefits of STAR to be continued.
- (iv) Agreed to emphasise to all stakeholders, especially members, donor partners, and Secretariat staff, that in the interim the Commission would continue with its current work and efforts to secure resources for sustained service delivery keeping in mind consultations with the Director General of SPC and Director of SPREP.
- (v) Agreed to immediately respond by writing to the Forum Chair, Chairs of the SPC and SPREP Governing Councils, Chair of STAR, donor partners and key stakeholders advising of the outcomes of its consideration of the issue at the 2007 Council Meeting.

As per SOPAC Governing Council decision (Summary Record of 36th SOPAC Session, para. 252(ii)a), the Committee of ‘SOPAC Council as a Whole’ is now meeting “to guide and advise the Director during the consultative process” and establish “Terms of Reference to be agreed in its first meeting”

Terms of Reference for the SOPAC Council Committee as a Whole

To implement the SOPAC Council decision (Summary Record of 36th SOPAC Session, para. 252(ii)a), the Committee agree that its Terms of Reference is as follows:

- Examine the work programme of SOPAC with a view to identifying which activities they consider may be rationalised and absorbed within SPC and/or SPREP.
- Examine how these activities of priority to the Island Member States may be delivered more effectively and efficiently, including governance and funding aspects.
- Consider and comment on progress reports from the Director on her discussion with the CEOs of SPC and SPREP and other key SOPAC stakeholders, as the CEOs consider options toward preparing a draft roadmap.
- Ensure adequate resources are provided for the Director to carry out the tasks required.
- The Chair of the Committee to report to Council at its next session.

Agenda Item 6 – Institutional Arrangement Options

10) Options for institutional arrangements were presented under Agenda Item 6 (SCW01/6 – SOPAC Parameters) and the options are also summarised in the Annotated Agenda (SCW01/1.1). This paper was circulated at the meeting, and can also be found on the CD attached.

11) The Director presented a snapshot of key SOPAC facts and figures which would need to be considered as the basis on which “the rationalisation and absorption” process should proceed. The Director also presented her thoughts on timelines, the assessments that needed doing in the immediate future and the important meetings during the year that were milestone events for the work of the SCW. A copy of the presentation is also included on the CD.

12) The SCW agreed and encouraged the Director to begin trilateral consultations with the CEOs of SPC and SPREP at the earliest opportunity to elaborate the “rationalisation at a glance” exercise she had included in the background presentation to the meeting. The Committee agreed the trilateral exercise would be a first step in which the CEOs can bring together their knowledge of what each organisation was doing, verify the rationalisation at a glance chart, and consequently narrow the options for the new institutional arrangement. The Director indicated that such a trilateral could occur in early April 2008, given the potential opportunity in the margins of a series of regional meetings wherein the three CEOs may attend.

13) The Director was also tasked by the Committee to prepare a scoping of the cost areas and indicative costs for submission to Council members.

14) Details of the discussion are in the minutes (Annex 4).

Agenda Item 7 – Timelines and Constraints

15) The Committee noted the following dates and meetings as important for reporting and constrained what the SOPAC team could realistically do in terms of responding to the Leaders’ Decision:

- i) Forum Meeting, 18 August 2008, in Niue (~five months away, progress report on the SOPAC Council Decision and progress since that decision to be tabled).
- ii) SPREP Meeting in September 2008, in the Federated States of Micronesia (2007 Forum Communiqué to be considered for the first time).
- iii) SPC’s CRGA38 Meeting in early October 2008, in Noumea (SPC Director General was tasked at CRGA37 to report back to CRGA38 on a draft roadmap; and on clarification of certain issues to do with cost and legal implications as requested by the US and American Samoa).
- iv) SOPAC Council Meeting, 21-29 October 2008 (in Funafuti).

16) For the comments and discussion under this item see Annex 4.

Agenda Item 8 – SOPAC Director Work Programme**Agenda Item 9 – Proposed Schedule of Committee Meetings and Reporting**

17) The Committee noted the tentative timelines of mid-May and mid-July for the remaining two SCW meetings in 2008, and the Director's outline of her work programme (below) within the timelines and constraints discussed in Item 7:

18) The Director expected to:

- i) hold the first in a series of trilateral discussions with the CEOs of SPC and SPREP, in time to report the outcome to the second SCW meeting tentatively scheduled for mid-May.
- ii) present a more elaborate 'rationalisation at a glance' picture capturing the substance of trilateral discussions that would show the trends emerging in terms of institutional arrangements, at the May meeting.
- iii) provide a progress report on the legal assessment; and findings on contractual agreements SOPAC currently has with donors; also at the May meeting.
- iv) further articulate the preferred institutional arrangements after SCW advice received at the May meeting.
- v) elaborate on a draft roadmap to implement or achieve the preferred institutional arrangement(s).
- vi) commission BCAs between the second and third meetings (tentatively scheduled for mid-July) on the narrowed field of institutional arrangement options.
- vii) prepare documentation to report on progress to the SOPAC Governing Council in October 2008.

Agenda Item 10 – Other Business*Future Observers at SCW Meetings*

19) Prompted by the request for Observer status to SCW meetings by the United States, the Committee recommended that the Director write officially to Council members inviting responses to the request. The Committee also drew up a tentative list of other potential observers and participants to future SCW meetings that included: France and the Chairs and CEOs of SPC, SPREP and PIFS, for inclusion in the message to capitals by the Director.

Summary Record of 1st SCW Meeting

20) The Summary Record of the meeting will be made available to members shortly after the Easter break.

LIST OF ANNEXES

- 1 LIST OF PARTICIPANTS
- 2 SOPAC GOVERNING COUNCIL CHAIR'S OPENING REMARKS
- 3 ADOPTED AGENDA
- 4 MINUTES OF FIRST SCW MEETING

SUMMARY RECORD

2nd Meeting of the SOPAC Council Committee of the Whole (SCW1) on the Regional Institutional Framework (RIF)

Banyan Room, Holiday Inn, Suva, Fiji

Wednesday, 4 June 2008

Agenda Item 1 – Welcome and Introduction of Observers

1) Chairing the 2nd Meeting of the SOPAC Council Committee of the Whole (SCW02) was Tuvalu's High Commissioner to Fiji, HE Tine Leuelu. He welcomed his fellow members of the SCW, and the invited observers who would be participating in the Committee's work henceforth.

2) Observers in attendance were representatives of the United States of America, France and the Pacific Islands Forum Secretariat (PIFS); the Director-General of the Secretariat of the Pacific Community (SPC); and the Director of the Secretariat of the Pacific Regional Environment Programme (SPREP) (see Annex 1 for List of Participants).

3) The Chair read the Opening Remarks of the Chair of the SOPAC Governing Council (Hon. Tuita of Tonga) (see Annex 2), and outlined the substantive business of the SCW02, which was to consider the progress made by the Director of SOPAC with respect to trilateral consultations with the CEOs of SPC and SPREP; expanding on the rationalisation at a glance exercise she introduced at the SCW01 meeting; as well as the scoping of cost areas; and other assessments that might also have been undertaken.

4) The Chair's Opening Remarks encouraged SCW members as shareholders to agree and recommend to the SOPAC Governing Council those new arrangements that would allow for and demonstrate:

- improved performance and delivery of services;
- improved timelines;
- improved relevancy to the needs of PICs and especially the SIS;
- that the present programme would be maintained and/or improved and expanded when considered necessary;
- that these activities would be met with reasonable cost effectiveness; and
- that performances and services would be of the highest quality and relevancy possible.

Agenda Item 2 – Adoption of Agenda

5) The meeting adopted the Agenda attached as Annex 3.

Agenda Item 3 – Minutes of SCW01

6) The minutes of the First SCW Meeting (SCW01) were adopted.

Agenda Item 4 – Documentation

7) The documentation for the SCW02 was described by the Chair, and the Committee was directed to the RIF Page on the SOPAC Website, which provided access to the entire collection of RIF-related documentation from the regional background reports to all papers related to integration, mergers and rationalisation pertaining to SOPAC. Access codes were available to the Committee from the SOPAC Secretariat, on request.

8) The Committee raised no objections to the Secretariat request to share the RIF-related documentation freely with all participating observers.

Agenda Item 5 – Actions since SCW01

9) The Director used the Summary Record of the SCW01, para. 18, to report under the itemised tasks undertaken since SCW01. More details on verbal reports and discussion on the substantive agenda items (from 5 to 7) are in the Minutes of the Meeting (see Annex 4).

*i) hold the first in a series of trilateral discussions with the CEOs of SPC and SPREP – **Trilateral meetings between SPC, SPREP and SOPAC were held in the margins of the CROP Heads Meeting in Noumea in the middle of April, on the 16th and 18th of April.***

*ii) present a more elaborate 'rationalisation at a glance' picture capturing the substance of trilateral discussions that would show the trends emerging in terms of institutional arrangements – **A programme trilateral was convened on the 15th and 16th of May. Reporting this elaboration exercise was deferred to under Item 6.***

*iii) provide a progress report on the legal assessment; and findings on contractual agreements SOPAC currently has with donors – **The legal assessment was commissioned at the end of April. A draft opinion was received the day before SCW02, and the Director was yet to review it and provide comments back to the consultants.***

*iv) further articulate the preferred institutional arrangements – **This was also covered under Item 6; and the three CEOs elaborated on progress.***

*v) elaborate on a draft roadmap to implement or achieve the preferred institutional arrangement(s) – **A short presentation on perspectives for the way forward was given under Item 7 to elicit some discussion; and to assist the Committee in providing the Director with guidance on the tasks that she would be required to complete before SCW03.***

*vi) commission BCAs – **The Director covered this also under Item 7.***

10) Other actions completed included seeking Council's views on having observers participate at the SCW02 meeting (and future SCW meetings); the circulation to Council of the invitations to SCW02; and the regular updating of the RIF Page.

11) The CEOs of SPREP and SPC provided their respective perspectives on the report by the Director of SOPAC; and elaborated on trilateral meetings. The programme trilaterals were assessed at this stage to be work-in-progress in terms of looking in more depth at synergies among the three organisations.

12) The Committee noted the landmark meeting of the SPC-SOPAC-SPREP Programme Trilateral and progress made, which were very much appreciated by members. The Committee agreed on the importance of the trilateral meetings and encouraged these to continue.

13) The Committee also noted that while the process seemed simple in the beginning; it was clear however, that certain issues needed to be accounted for such as the impediment to SPREP's full engagement in the process, in the absence of a Council decision, given that the 2007 and 2008 meetings of the Forum would be held before the SPREP Council meeting in September (2008).

Agenda Item 6 – Rationalisation-Beyond-a-Glance

14) This item was dedicated to discussing the substance of the trilateral meetings already introduced under previous agenda items, with the CEOs of SPC, SPREP and SOPAC providing necessary information to the Committee in respect of progressing rationalisation "beyond-a-glance". Reporting by the CEO on their trilateral outcomes were summarised in papers before the Committee, with presentations from the first programme trilateral being placed on the RIF Page for review and reference by the SCW. It was advised that other key outcome documents of the programme trilateral had just been received by the CEOs and were being treated as work-in-progress. In order to convene further trilaterals to continue the Rationalisation beyond a glance, the three would be mounting a joint proposal outlining resource requirements for presentation to Australia, New Zealand and France. The SOPAC Director had been tasked during SCW01 to provide indicative costs; and she submitted that this joint proposal was to be taken as proxy for that.

15) Frank and wide-ranging discussion tossed around opinions, concerns and requests on time lines; protecting and improving SIS-focussed service delivery; observership at programme trilaterals; EU participation at SCW meetings; technicality of work programmes being Rationalised; office location; legal and other issues. The SPC Director-General also took the opportunity "to present a SPC Secretariat viewpoint" to dispel cloudy areas on certain issues raised by the Committee that included mandate and funding concerns.

16) The Committee expressed appreciation of the work carried out by the three CEOs; and of the discussions among the senior programme personnel, which were deemed extremely important given the breadth and technicalities of the respective work programmes. It was apparent from the issues brought up during discussions that the SCW would be very much guided by the next consultations among the three agencies which would need to further discuss, focus and elaborate the more technical and practical options as the basis for progressing the Rationalisation of SOPAC's functions.

17) The Chair noted that the various concerns raised by colleagues around the table were valid and were natural reactions that needed to be aired, for the three agencies to bear in mind as work on the various institutional arrangement options continued.

18) The Committee raised no objection to the programme trilateral meetings being open to Committee members, and that information on the dates and venues of forthcoming meetings be circulated to members so they could attend if they wished.

Agenda Item 7 – Roadmap for a Way Forward

19) The Committee had requested the Director to prepare a road map for a way forward between this Committee meeting (SCW02) and the 3rd meeting of the SCW (SCW03). In anticipation of this task and as a result of consideration of initial outcomes of the first round of trilateral meetings, the Director presented overarching issues in respect of a proposed way forward.

20) The Director circulated a paper and made a presentation, both accessible from the SOPAC-hosted RIF Page (and available from the Secretariat on request). The presentation highlighted the Guiding Principles, which are a combination of the guiding principles from the CRGA and SOPAC Governing Council decisions in response to Paragraph 19b of the 2007 Leaders Communiqué that have underpinned the trilateral meetings to date and should carry throughout the process. Further the Director submitted that the underlying 'conceptual framework' of SOPAC's work programme – that is that applied geoscience, technology and social sciences are integrated into unified and multi-faceted outputs allowing for evidence-based policy and strategy formulations must be recognised and acknowledged as rationalisation progresses to absorption and ultimately into the new institutional arrangement(s).

21) As a way forward the Director proposed that once rationalisation advanced sufficiently to crystallise certain institutional arrangements, the receiving organisations should be encouraged to develop 'business cases' on their arrangements to receive, sustain and improve the SOPAC functions and services that were transferring to them. These business cases should be developed in very close consultation with SOPAC and be subjected to due diligence. The business cases were to demonstrate how the services themselves would be absorbed, sustained and improved; and, how the services of the STAR would be retained for the region. These along with the due diligence checks would provide assurances to the respective Committee and Councils of SPC and SPREP that SOPAC's activities and programmes would endure and improve beyond absorption and where possible enhance the services that the mentioned organisations are currently responsible for delivering. Consequently the SCW would then consider the business plans in concert with the due diligence checks and submit its findings to the SOPAC Governing Council.

22) The Director also presented timelines on the Rationalisation activities that would maintain the momentum on the current process (trilateral and bilateral consultations; business case(s) development; due diligence checks on business cases; finalising the legal assessment) and, with all events happening as anticipated and on time, offered that the SOPAC Council could be sufficiently informed and comforted to take the decision whether to dissolve or suspend the organisation at its 2009 Governing Council meeting. See SCW02/7.1 & 7.2 for the full paper and presentation and the Minutes of the Meeting (Annex 4) for more details.

23) The Chair noted the Marshall Islands question on how much had already been spent on the whole RIF exercise and invited the PIFS to provide that information for the next meeting. His sense of how things stood at the end of discussion was that members wished to be involved in the entire process; and also in scrutinising outcomes at every step.

24) The decision of the Committee under this item was revisited under Item 11 – Other Business, and clarified. The clarification is recorded below.

25) The Committee noted the presentation by the Director of SOPAC; which was to be used by the CEOs and the three organisations as a basis for further work. The organisations were encouraged to continue their work, bearing in mind the catalogue of concerns raised and were encouraged to report back to the next SCW meeting on any progress made. The Committee would scrutinise the outcomes of the next trilateral meetings which are expected to provide further clarity for rationalisation and the proposed institutional arrangement(s) options requiring detailed assessments through the development of 'business case(s)'.

26) The Committee noted the timelines set out in the 'way forward' proposal and the sequencing of the key meetings at which progress reports on the Rationalisation would be tabled.

27) The Committee accepted the proposed way forward and that the 'business case' label used by the SOPAC Director should be replaced with a term that was more acceptable.

28) The Committee urged the CEOs in their trilateral meetings to come up with one agreed approach to put to their respective Councils on the matter of the Rationalisation.

Agenda Item 8 – Update on Timelines and Constraints

29) The confirmed dates of the major meetings related to the RIF exercise on SOPAC are as follows:

30) The next SOPAC Session (37th) would be held during 22-30 October 2008, in Funafuti, Tuvalu.

31) The SPREP Council meeting that would consider para.19b of the Forum Leaders' Communiqué 2007 for the first time would be held during 8-12 September 2008 in Pohnpei, Federated States of Micronesia.

32) The 2008 CRGA meeting for SPC would be held during 13-16 October in Noumea, New Caledonia.

33) The dates for key Forum meetings provided by the PIFS representatives were 19 August for the Leaders' Retreat; 23-24 July for the pre-Forum FOC; and 21-22 July for the pre-FOC Pacific Plan Action Committee meeting.

Agenda Item 9 – SOPAC Director Work Programme between SCW02 and SCW03

- Tasks to be Completed

34) The Committee took as read the proposals by the Director of SOPAC to continue advancing the activities already begun after SCW01; and the additional activities outlined in her presentation under Agenda Item 7 for work to be undertaken beyond SCW02. The key slides from the Director's presentation are attached as Annex 5.

Agenda Item 10 – Date of SCW03

35) The tentative date of 16 July 2008 for the third Committee meeting (SCW03) was adopted.

Agenda Item 11 – Other Business

36) The first matter brought up was the earlier unresolved issue of whether to invite the EU to observe at future SCWs. The Committee decided that the EU be included among those in the circulation list to receive the outcomes of SCW meetings; and that the SOPAC Director keep SOPAC donors and development partners updated.

37) The second matter was clarification of the Committee decisions under Item 7 – Roadmap for a Way Forward. See under Item 7 for that clarified articulation.

38) The third and final matter was a reminder that the first task for the CEOs immediately following the SCW02 would be to finalise and submit a joint proposal for additional financial resources to assist them undertake the processes proposed in the roadmap for the way forward.

Agenda Item 12 – Closing

39) The Chair expressed deep appreciation to the members and other participants at the SCW02 for their patience and contributions that made a productive meeting despite the sensitivity of the issue. He commended the Committee for the progress made to date and was confident that through the Chair from Tonga, SCW would have a progress report ready for the Forum.

40) Fiji thanked the Chair and the Secretariat for the hard work on behalf of members.

41) The SOPAC Director made closing remarks, chiefly to thank the observers for participating and her SPC and SPREP counterparts.

The meeting ended at 4:20 pm.

LIST OF ANNEXES

- 1 LIST OF PARTICIPANTS
- 2 CHAIRS' OPENING ADDRESS(ES)
- 3 ADOPTED AGENDA
- 4 MINUTES OF SECOND SCW MEETING
- 5 TWO SLIDES FROM THE SOPAC DIRECTOR'S WAY FORWARD PRESENTATION
- 6 ACRONYMS USED IN THIS REPORT

SUMMARY RECORD

**3rd Meeting of the SOPAC Council Committee of the Whole (SCW)
on the Regional Institutional Framework (RIF)**

**Banyan Room, Holiday Inn, Suva, Fiji
Wednesday, 16 July 2008**

Agenda Item 1 – Welcome

- 1) The Chair of the SOPAC Governing Council (Hon. Tuita of Tonga) chaired the 3rd Meeting of the SOPAC Council Committee of the Whole (SCW03). He welcomed his fellow members of the SCW, and the observers.
- 2) Observers in attendance were representatives of the United States of America, France and the Pacific Islands Forum Secretariat (PIFS); the Director-General of the Secretariat of the Pacific Community (SPC); and the Director of the Secretariat of the Pacific Regional Environment Programme (SPREP) (see Annex 1 for a List of Participants).
- 3) The Chair made Opening Remarks (see Annex 2), and outlined the two major objectives of the SCW03, which was to consider (i) progress since SCW02; and (ii) the progress report of the SCW to the 2008 Forum Leaders' meeting.
- 4) The Chair stated that while he was of the opinion that the SOPAC Committee had "responded positively to the Leaders' Communiqué and the SOPAC Governing Council decision;" the task being undertaken was not a straightforward matter as learned in the course of the Committee's work so far, and would "require long-term and steady dedication."
- 5) The Chair ranked the task as "an urgent priority" which he believed could be moved forward with confidence to identify the "most effective institutional arrangements based on the logic of the most effective means of meeting [the] needs of member states with excellence in quality, relevancy and timeliness".

Agenda Item 2 – Adoption of Agenda

- 6) The meeting adopted the Agenda attached as Annex 3.

Agenda Item 3 – Approval of Minutes of SCW02

- 7) The summary record and minutes of the Second SCW Meeting (SCW02) were adopted.

Agenda Item 4 – Matters Arising

8) Chair recorded that in response to his writing to the SOPAC Governing Council to seek approval to, on its behalf, send a progress report on the SCW work to the Forum Leaders' meeting scheduled for mid-August in Niue – that he had received formal assents from Samoa, the Cook Islands and Nauru. Fiji confirmed their agreement verbally with intent to formalise very shortly.

9) The Chair took the absence of dissenting voices to his request for further comments from other members round the table as tacit approval of his intent to provide a progress report to the Forum Chair.

Agenda Item 5 – Update since SCW02

10) The SOPAC Director reported the following 'concrete' actions after the Second Committee Meeting: (a) a very brief trilateral of the three CEOs immediately following the SCW02; (b) a second programme trilateral meeting (23-24 June) among SPC, SPREP and SOPAC programme staff; and (c) the review by the Secretariat and receipt of the final draft report of the legal assessment commissioned by the SOPAC Director. The three CEOs also finalised and transmitted a joint letter of request for financial assistance to Australia and New Zealand which has received a response requesting more information. The letters of request and response were distributed to participants at the SCW03 for their information.

11) The Independent Facilitator of the programme trilateral meetings of the three organisations, Mr Garry Wiseman, was invited to present his reflections on the whole programme trilateral process, given that he hadn't had the opportunity to do so before the Committee since his involvement from the first programme trilateral meeting.

12) Mr Wiseman had found the process educational, observing that it was probably just as educational for the other organisations to hear from each side what they were doing and perhaps revealed that "insufficient opportunity had been taken for greater collaboration and coordination" of some of things they could have been doing together. Hence the first programme trilateral "just pointed to the need for better cooperation, coordination within organisations and across organisations regardless of where SOPAC's work programme might end up being located."

13) The Independent Facilitator observed that the second programme trilateral which came together to progress further the first trilateral discussion on synergies (with respect to the option of "SOPAC's work programme to be absorbed primarily into either SOPAC or SPREP with minor elements into the other") found it "very difficult [...] to focus on what might be an appropriate split." He had tried to push it but he thought it seemed "very hard for the programme staff to actually come up with a firm position either way" and that in the end there "seemed to be much more comfort in SOPAC's work programme going wholly into one or the other."

14) Based on those observations Mr Wiseman advised the Committee that it all depended on which angle SOPAC's work was viewed from – if members "would like to see SOPAC's work focus greater on environmental management, then the SPREP home" seemed obvious; but if the desire was to see "SOPAC's work strengthen [...] the resource use management aspects of the work of SPC", then the SPC home was logical.

15) Mr Wiseman also raised aspects of the rationalisation/absorption process that would be critical to consider for a good outcome to this exercise. These included the sizes of the two recipient organisations in relation to SOPAC, hence the changes that would need to occur in them to accommodate the absorbed entity so that quality of services didn't suffer and actually improved. Also the modes of interaction with the membership of each organisation would certainly affect the quality of services to be delivered.

16) The Independent Facilitator concluded with the general agreement at the end of the second programme trilateral that "programme staff had taken the process as far as they could and there was now a need for a greater level of independence in final decision making." He was of the opinion that the trilateral meetings were important steps in this process but "because of the obvious and normal defensive nature of those closest to programme delivery that a more 'hard-nosed' decision-making process" needed to be invoked at this stage. He also later attributed the inability of programme staff to go beyond where they got to because they were not "necessarily able to talk about the institutional and other aspects of

absorption in either one of the organisations” as it was part of a broader discussion that had to take place within the recipient organisations.

17) See the minutes of the meeting in Annex 4 for full details of the presentations by the Director of SOPAC and Mr Wiseman.

18) Members all appreciated the very useful presentation by Mr Wiseman, which generated some good debate (see Annex 4 for details) with the Committee noting the points raised. The Director of SOPAC was also commended for the idea of engaging an independent facilitator at the programme trilateral meetings.

19) The Committee also noted the agreement of the SOPAC Director to a request initiated by the Marshall Islands for the development of a detailed matrix which outlined actions within the RIF process and more detailed costs associated.

Agenda Item 6 – Consideration of Progress Report to the Forum

20) The Committee noted the representative of the PIFS outline of the reporting procedures for the wider RIF process via the PPAC, to the Forum Leaders.

21) The attached Progress Report (see Annex 5) was confirmed by the Committee as the report to be sent by the Chair of the SCW on behalf of the SOPAC Council to the Chair of the Forum. It was amended by Committee and approved (see the Minutes of the Meeting for detailed discussions on this item).

Agenda Item 7 – Consideration of [SOPAC] Council Chair Covering Letter

22) The attached Cover Letter (see Annex 6) to accompany the progress report was also slightly amended and approved by the Committee (see the Minutes of the Meeting for detailed discussions on this item).

Agenda Item 8 – Date of Next Meeting, Update on Timelines and Constraints

23) The Committee noted the proposal for a fourth SCW meeting (SCW04) in the period late August/early September to look at the 2008 Leaders’ Communiqué; have some discussion around the recently completed legal assessment; and prepare its report to the SOPAC 37th Session scheduled for late October in Funafuti, Tuvalu.

Agenda Item 9 – Other Business

24) The French representative directed a question at Jimmie Rodgers of SPC on whether someone had studied the legal implications surrounding membership issues given that France (and the US) were members of both SPC and SPREP, but not of SOPAC. The SPC CEO informed the meeting that apparently the French Government had supported working towards implementation of the Communiqué decision in 2007, and had done an initial legal assessment, outcome of which they had accepted.

25) The US representative confirmed that they were in a similar situation to France, of being a member of both SPC and SPREP but not of SOPAC; and neither was it a participant in the Forum where the decision (referred to as para. 19b of the 2007 Communiqué) was taken. The US had expressed some concerns which required a legal response; and the representative informed that they had evaluated the response to those concerns and their attorneys came up with still more questions that needed answering. He remarked that both SPREP and SPC had their own internal processes that would have to be respected as this regional and institutional structuring moved ahead.

10 Closing

Suva
Tuesday, 13 January 2009

26) In closing the Chair expressed sincere appreciation to all the participants for the good progress achieved by the meeting. He especially thanked the Deputy Prime Minister of Tuvalu for his attendance; and expressed the hope of seeing them all at the next Committee meeting.

27) The meeting ended at 1:24 pm.

LIST OF ANNEXES

- 1 LIST OF PARTICIPANTS
- 2 OPENING REMARKS
- 3 ADOPTED AGENDA
- 4 MINUTES OF THIRD SCW MEETING
- 5 SCW PROGRESS REPORT TO 2008 FORUM LEADERS' MEETING
- 6 COVER LETTER FROM SCW (SOPAC) CHAIR TO CHAIR OF THE FORUM
- 7 ACRONYMS USED IN THIS REPORT

DRAFT SUMMARY RECORD

**4th Meeting of the SOPAC Council Committee of the Whole (SCW)
on the Regional Institutional Framework (RIF)**

SOPAC Secretariat, Suva, Fiji
Tuesday, 16 September 2008

Agenda Item 1 – Welcome

The Deputy High Commissioner of Tuvalu to Fiji, Mr Samuelu Laloni, chaired the 4th Meeting of the SOPAC Council Committee of the Whole (SCW04). He welcomed his fellow members of the SCW, and the observers.

Observers in attendance were representatives of France and the Pacific Islands Forum Secretariat (PIFS) (see Annex 1 for a List of Participants).

The Chair made Opening Remarks (see Annex 2), and outlined the two major objectives of the SCW03, which was to decide what to include in its report to the SOPAC Governing Council 37th Session, scheduled for the end of October in Funafuti Tuvalu; and consider the latest decision of the Pacific Islands Forum Leaders (referenced Para. 20 of the 2008 Forum Communiqué); and the decision of the SPREP Council with respect to the RIF.

The Chair stated that the most important task was to “decide on the nature of [its] report and its recommendations to Council, for a way forward” – this being an obligation under the Committee’s terms of reference.

Agenda Item 2 – Adoption of Agenda

The meeting adopted the Agenda attached as Annex 3.

Agenda Item 3 – Minutes of SCW03

The summary record and minutes of the Third SCW Meeting (SCW03) were accepted.

Agenda Item 4 – Matters Arising

The Director suggested some discussion on the legal assessment final report transmitted to members at their July meeting, and whether it had been considered in capitals.

Suva
Tuesday, 13 January 2009

The Committee noted the Director's explanation on the key findings of the assessment with respect to Article 16 of the SOPAC Agreement and also her agreement to provide a distillation of the key decisions that members would need to take regarding the options of 'dissolution' or 'suspension' of the Commission; and to clarify any impediments and what happens to the assets of the Commission either way. These points were to be clearly articulated in the paper that the Secretariat prepared for the Governing Council meeting in late October in Funafuti.

Agenda Item 5 – Consideration of Forum Communiqué on the RIF

The Committee took as read Para. 20 of the Forum Communiqué 2008, and there was no discussion under this item. For the record Para.20 reads:

REGIONAL INSTITUTIONAL FRAMEWORK REVIEW

20. Leaders:

- (a) recalled their 2007 decision on the rationalisation of SOPAC functions into SPC and SPREP, without any substantive diminution in SOPAC functions, and the merger of South Pacific Board for Educational Assessment (SPBEA) with SPC;*
- (b) expected that all work to define the new institutional arrangements, as well as plans for implementing those arrangements, will be finalised and jointly agreed by the CEOs of the relevant agencies for presentation to Leaders at the 2009 Leaders' meeting; and*
- (c) directed their representatives on the Governing Councils of the SPC, SOPAC, SPREP and SPBEA in 2009 (and prior to the Leaders' meeting) to take all the final decisions on the new institutional arrangements and implementation plans, with implementation to commence immediately after the Governing Council meetings and no later than 1 January 2010.*

Agenda Item 6 – Consideration of SPREP Council Decision on the RIF

The Committee noted the provisional decision of the SPREP Governing Council (see Annex 4) on the RIF, and deferred discussion on implications to under Item 8.

Agenda Item 7 – Timelines and Constraints

The Director suggested a way to avoid the potential timeline constraints in 2009 would be to sequence the key meetings correctly, i.e. that SOPAC hold its annual meeting after the annual meetings of SPREP and SPC; and that the Forum meeting hold its meeting after the SOPAC meeting.

The Committee noted the promises by the Forum and Australian representatives to explore the issue of timing of the Forum Meeting with the host country.

Agenda Item 8 – Committee Report to Council, and Recommendations for the Way Forward

The Committee agreed with the components of its report to the Governing Council as outlined by the Director to be largely composed of the SOPAC Chair's Report to the Forum Chair on the Progress by the SCW in August; plus an Executive Summary highlighting the key activities and containing recommendations for a way forward.

The bulleted list below was discussed by the Committee as proposed recommendations for a way forward to the SOPAC Governing Council (based largely on the SPREP resolution of the RIF item at their September 2008 meeting):

SOPAC Council is invited to:

- 1) consider the Report of the SOPAC Council Committee of the Whole (SCW) to Council and its recommendations for a way forward.*

*Suva
 Tuesday, 13 January 2009*

- 2) *take into account the 2007 and 2008 Forum Communiqués relating to the RIF Review (attached).*
- 3) *take into account the 2008 SPREP Council and Pacific Community CRGA decisions (NZ amend) on the RIF (attached)*
- 4) *recognise the need to consider the legal, financial, administrative, and programmatic implications for absorbing SOPAC functions into SPREP and SPC.*
- 5) *direct the Director of SOPAC to engage collaboratively with the CEOs of SPREP and SPC immediately following the 2008 SOPAC Council Meeting to determine and jointly identify proposed institutional arrangements based on an analysis of:*
 - (a) *synergies and linkages between programs*
 - (b) *optimizing service delivery*
 - (c) *organizational capacities*
 - (d) *maintaining the integrity of the applied science and technical services*
- 6) *direct the Director of SOPAC to work with the other CEOs to provide joint, formal quarterly updates on progress and to seek and share the views of, and give due consideration to all members of SPREP, SPC and SOPAC.*
- 7) *encourage the Director of SOPAC to provide regular briefings to members with Suva-based representation, as well as regular email updates to all members.*
- 8) *direct that the Director of SOPAC in collaboration with the CEOs of SPREP and SPC, jointly commission an independent analysis of the legal, financial, administrative and programmatic implications of their proposed institutional arrangements, avoiding duplication of work already undertaken.*
- 9) *direct the Director of SOPAC to work with the other CEOs to ensure that the proposed institutional arrangements and analysis of implications are circulated to all member focal points of SPREP, SPC and SOPAC with an invitation for a representative from each Member country to attend a meeting of all countries and territories for consideration by May 2009.*
- 10) *direct, subject to the guidance of the above-referenced meeting, the Director of SOPAC to work collaboratively with the CEOs of SPREP and SPC to finalise and jointly recommend new institutional arrangements and implementation plans, to be provided to Members by July 2009, for consideration and decision by their respective Governing Bodies in 2009.*
- 11) *agree that it will meet to consider the institutional arrangements and implementation plan recommended by the three CEOs before the next Pacific Islands Forum Leaders meeting in 2009.*

Agenda Item 9 – Closing

Chair thanked the Committee for completing its work diligently in agreeing the recommendations on a way forward for submission to the SOPAC Governing Council and closed the meeting at 12:55 pm.

LIST OF ANNEXES

- 1 LIST OF PARTICIPANTS
- 2 OPENING REMARKS
- 3 ADOPTED AGENDA
- 4 SPREP PROVISIONAL DECISION OF THE RIF (SEPTEMBER 2008)
- 5 MINUTES OF FOURTH SCW MEETING

ANNEX III**Minutes of all four SCW meetings (Available only Electronically)****MINUTES OF FIRST SCW MEETING****1 Adoption of Agenda**

1) The Chair asked the Director (of the SOPAC Secretariat) to introduce the item.

2) The Director drew the attention of the meeting to the papers and background documentation provided to SCW members; and explained what was to be covered under each agenda item. The substance of her introduction was drawn mainly from paper SCW01/1.1 (Provisional Annotated Agenda). She expressed the hope that the Committee would focus primarily on firstly establishing the Terms of Reference for the SCW's work; secondly on providing her with clear directions on how she was to proceed on their behalf in her consultations with the CEOs of SPREP and SPC; and both of these to be sensitive to constraints contingent with having to deal with organisations that were separate legal entities in their own right. She was optimistic that significant milestones could still be reached within the constraints identifiable so far for the year 2008 that would go a long way toward realising the SOPAC Governing Council's decision. She also added a last item to the provisional agenda, "Other Business", apologising for its omission.

3) The Chair asked the Committee for agreement to the agenda presented.

4) The representative of the Marshall Islands commented that they had no problem with the decision of the Leaders and looked forward to participating in the Committee meetings on rationalising the SOPAC programmes with those of SPC and SPREP; but suggested that Committee members round the table introduce themselves before they began their work.

5) The Chair asked the Committee members represented to introduce themselves.

6) Committee members introduced themselves and the following SOPAC Countries were represented: Australia (Ms Judith Robinson & Mr Tim Wilcox), Cook Islands (Mr Keu Mataroa), Federated States of Micronesia (H.E. Mr Samson Pretrick), Fiji Islands (Hon. Ratu Epeli Nailatikau, Mr Ross Ligairi & Mr Solo Mara); Kiribati (Ms Beniita Kabubuke), Marshall Islands (H.E. Mr Mack Kaminaga), Nauru (H.E. Mr Jarden Kephas), New Zealand (H.E. Ms Caroline McDonald & Ms Deborah Collins); Papua New Guinea (Ms Julie Wapo); Tonga (Hon. Siosaia Tuita [Chair] & Mr Asipeli Palaki); and Tuvalu (H.E. Mr Tine Leuelu).

7) The Chair thanked the Committee members and since there seemed to be no further issues with the provisional agenda he pronounced it adopted. He also introduced an administrative matter which was not an item on the agenda, and that was the 'appointment of a rapporteur' and asked the Director to explain the

Secretariat's arrangements with respect to providing records of SCW meetings.

8) The Director offered the Secretariat's rapporteur services (normally at the disposal of Council at its annual business meetings) for this as well as future meetings. The Director also reported the intention of the Secretariat to tape the proceedings so as to provide audio records of the meetings in addition to the minutes should members wish to revisit discussions.

9) The Chair sought the agreement of the Committee, and there was no dissent with respect to the offer and the arrangement was adopted. The Chair proceeded to the next item on the agenda, *Documentation*, and again asked the Director to introduce it.

2 Documentation

The Director reminded the meeting about a number of circular letters and e-mail correspondence from the Secretariat covering reports to Council following the SOPAC Governing Council decision in Tonga, in November 2007. Details of these were also provided in paper SCW01/1.1 (Provisional Annotated Agenda). The latest Circular Letter, not mentioned in the annotated agenda, sent the day before the meeting provided Council and Committee members with the Username and Password for accessing the secured RIF page on the SOPAC Website where all SCW meeting documentation; various related papers from SOPAC's archives; and regional background papers pertaining to the RIF are collated. The same Circular was also cover for the Fiji suggested alternative to the Terms of Reference, which would come up for discussion under agenda item 5. The Director also drew attention to the hardcopies of key RIF documents from past SOPAC annual meetings including the finalised copies of the Proceedings of the 2007 Tonga meeting, along with the Work Plan & Budget 2008 document that were provided to Committee members in their meeting folders.

3 Actions since Council Meeting

The Director followed on with explanations of the actions taken by the Chair and the Secretariat, and was permitted by the Chair to continue.

The Director reported that the Chair, as instructed in the last paragraph of the SOPAC Governing Council 36th Session RIF Decision, wrote to the major stakeholders in December 2007 (including the Chairs of the SPC and SPREP governing councils; and Donors) to inform them of the SOPAC Governing Council's decision in response to the Leaders' Decision. Responses were received from the Chairs of those respective Councils. She reported that the

Suva

Tuesday, 13 January 2009

Secretariat actions were (a) circulation of the First Advisory in February on the First Meeting of the SCW; (b) circulation of a Second Advisory circular in March to revise the dates of the same meeting, since the date first proposed clashed with an UNESCAP sub-regional organisation meeting in Noumea which was attended by a number of Committee members. This March circular was also cover for the New Zealand alternative Terms of Reference, also tabled under agenda item 5. The Director also reported on certain informal discussions held with the Director General of SPC; and preliminary discussions with the Director of SPREP in the margins of the SOPAC 36th Session in Tonga. The meeting heard that an opportunity for an informal meeting between the Director and her SPREP counterpart was missed when the Director of SRPEP cancelled his attendance at a recent GEF-PAS Meeting in Palau held immediately before the SCW1. During the SPC/SOPAC informal discussions, both CEOs agreed that they could not really hold full and formal bilateral consultations until this first SCW meeting had occurred to formulate certain guidelines that would enable the SOPAC Director to confidently engage in the process outlined in the Council Decision.

The Chair invited Committee members to comment on the matters raised by the Director.

The New Zealand representative after thanking the Director for her explanations sought clarification for her own understanding; as to the extent the options presented in the meeting documentation had been brought up in the reported informal and preliminary discussions between the CEOs – i.e. whether the options had been discussed among the CEOs and agreed to be presented at this meeting or was it something from SOPAC at this stage?

The Director clarified that she only briefed Jimmy Rogers on the Council Decision itself and that the SPC Director-General had shared with her the tasks set for him by his committee, in that more information on legal and cost implications had been requested by the US and American Samoa. While their discussions had been general, they did talk of the various likely scenarios that would probably need to be addressed. Hence the tabling of the five options, while being a SOPAC submission; the SPC Director-General and the SOPAC Director had agreed that Pillar 2 could be strengthened even while maintaining the legal entities of the three separate organisations. The short answer being; 'Yes it is something from SOPAC Secretariat at this stage,' but she expected the SCW to provide her with some guidance and advice on how to conduct consultations with SPC and SPREP more formally.

The Chair invited comments from the Committee on the work carried out by the Director as outlined.

The representative of the Marshall Islands enquired after the substance of the preliminary discussion between the Directors of SPREP and SOPAC.

The Director described her discussions with the Director of SPREP in the margins of the SOPAC Council Session as "very, very preliminary", because the Council Decision itself had only been agreed. The SPREP Director had at the time mentioned that due to personal and Secretariat commitments early in 2008 that he could not realistically start to engage in consultations until April. The Director was hopeful that one of a number of opportunities beginning in early April could be exploited to begin a more

substantive engagement with SPREP. The Director-General of SPC did agree that earnest discussions could begin between them in early April, given that the SOPAC Director would have received some guidance from the SCW at this meeting. Certain meetings in Nadi in early April are likely to be attended by all three CEOs. The Director also understood that she would need to make opportunities to visit her counterparts at their Secretariats over the next several months.

The Chair concluded after no more comments were forthcoming that the meeting note the Director's comments; and moved the meeting to the next agenda item.

4 Purpose of the SCW

The Chair reminded the Committee members of the SOPAC Governing Council Decision, which was referred to in his opening statement; as the basis for this meeting, to respond to the Leaders' Communiqué. He invited the Director to elaborate on what he had introduced.

The Director elaborated that this item was included on the Agenda for this meeting so the Committee might arrive at, if they don't already have, a common understanding on the purpose of the SCW and the work that it would carry out on behalf of Council in the months leading up to the next Governing Council meeting in Tuvalu at the end of October (2008). The agenda item was therefore an opportunity to reflect on the SOPAC Council Decision, where Council did articulate its ownership of responding to the Leaders' Decision. Council had outlined the process that it would follow to realise its response to the Leaders' Decision. The Director invited the meeting to move on to the next item on the Terms of Reference if there was general agreement on the purpose of the SCW in realising the SOPAC Council Decision and working towards demonstrating significant progress by the time of the SOPAC Council meeting in Funafuti (Tuvalu).

The representative of Australia drew attention to the Council Record where it said that the SCW "would be established and adequately resourced to guide and advise the Director during the consultative process." She understood this to be clearly stating the purpose of the SCW and its meetings.

The Chair confirmed the point made by Australia that the purpose of the Committee and the meeting was clearly stated in the decision taken by Council in 2007. There were no dissenting voice(s) with respect to this understanding and the Chair progressed the meeting to the next item by inviting the Director to introduce the three versions of the Terms of Reference tabled.

5 Terms of Reference for the work of the SCW

The Director summarised earlier explanations of the mechanics of how papers SCW01/5.1; SCW01/5.2 and SCW01/5.3 came to be in existence. She suggested that New Zealand and Fiji be invited to address Members explaining their alternative versions of the Terms of Reference (TOR). She further suggested that since the Secretariat TOR pre-dated the Governing Council Decision, that the Committee at this juncture focus only on the alternatives proposed after the Decision.

The Chair invited the New Zealand representative to explain their alternative wording of the TOR as presented in paper SCW01/5.2.

The New Zealand representative explained that their alternative TOR was based largely on the TOR drafted by the Secretariat; and theirs was identified at the last Council meeting in Tonga (November 2007). She outlined to the Committee the three main differences between their alternative and the Secretariat version of the TOR. Firstly there was a structural difference in that they had incorporated the first bullet point of the Secretariat's TOR within the chapeau of their alternative and this was because the chapeau was dealing with the contextual matters that this Council was working within – the Pacific Plan, RIF, the consultative discussions among CEOs to take forward the Leaders' decisions – i.e. the New Zealand alternative had a longer chapeau than what the Secretariat had but that was just a contextual and formatting difference. The second difference was that the New Zealand alternative deleted the statement "should absorption take place" which was contained in bullet point three of the Secretariat proposed TOR; and that was in view of Council's Decision to 'accept the challenge' of the Leaders' Decision. The third and final difference was that the New Zealand version deleted the reference to the Committee preparing a draft road map in bullet point four of the Secretariat TOR; and instead proposed that the Committee would advise the Director in her discussions with other CEOs on a draft roadmap and possible timetable for implementation; and that was in recognition of the fact that the three CEOs would come together to actually draft the roadmap.

The Chair asked Fiji to present their alternative Terms of Reference (paper SCW01/5.3).

The Fiji representative reported that their alternative text was arrived at after having examined the New Zealand text. The Fiji alternative sought to strengthen the linkage of the TOR to the Council Decision and Fiji therefore used words from the Council Decision in their preambular text to preface their TOR; and within it was the reference to the Forum Leaders' Decision (paragraph 19b); hence the work of the SCW was in the context of the SOPAC Council Decision. Within the TOR itself, Fiji felt that the words 'rationalised' and 'absorbed' should be included in bulletin point one to reflect the Forum Leaders' Decision. The Fiji alternate text for bullet points three and four was proposed because they felt it was important for the Director to report to this Committee and take directions from the SOPAC Governing Council so that we remain mindful of the independence of the SOPAC Council in this process. The final addition to the Fiji alternative was proposed because they felt that the Director should be provided with adequate resources, both human and financial to carry out the tasks that she and the Secretariat were expected to perform.

The Chair invited members of the Committee to consider the presentations by both countries. He observed that there were similarities between the two versions and thought that the main difference appeared to be in bullet point three where the Fijian version stated the Committee requested "the Director to carry out the necessary work including consultations with the CEO's of SPC and SPREP to consider options and prepare a report for the Committee to consider" – versus the New Zealand version which stated that the Committee would "advise the Director in her

discussions with other CEOs on a draft roadmap and possible timetable for implementation".

The Chair also suggested to the Committee that the best way to deal with the matter at hand was probably to focus its attention primarily on the main differences between the two alternative versions; and invited their comments.

(Delegates were urged by the Chair to use the microphones while making interventions as quite a handful of speakers are naturally soft-spoken and hard to hear for the purpose of discussion and minuting)

Since delegates were not immediately forthcoming with their comments in response to the Chair's invitation, he suggested that the meeting break for morning tea, and resume the item after partaking of refreshments.

MORNING TEA BREAK

The Chair resumed the meeting after a half an hour morning tea break, reminding the Committee that the discussion was about the two alternative readings of the TOR as presented by New Zealand and Fiji.

The New Zealand representative promptly started the discussions by pronouncing themselves very comfortable with Fiji's alternative wording, but with some amendments. She detailed their proposed amendments thus – firstly, on page 2 of the Fiji TOR (paper SCW01/5.3) she observed that the preamble was the Council Decision, which was fine with them but they suggested deletion of the two comments prior to the Terms of Reference themselves i.e. the sentences beginning "The Committee will no doubt discuss ..." and "This paper is basically to recommend ..." as both were unrelated to the contextual sense of the preamble. They also suggested deletion of the third and fourth bullet points for the reasons that Council had already taken the decision that the Director enter into a consultative process with the two CEOs; and that they did not see these two items as being related to the work of the Committee. The TOR they felt should be about what the purpose and the role of the Committee was, whereas the two points as they stood was more about the role of the Director and irrelevant in that context. She proposed the alternative wording – "consider and comment on progress reports from the Director on her discussions with the CEOs of SPC and SPREP to prepare a draft road map" – to replace bullet points three and four.

The Chair asked the New Zealand representative to repeat their proposed amendment to the bullet points.

The New Zealand representative read out again the alternative wording to the Fiji TOR bullet points three and four.

The Chair asked Fiji to comment on the New Zealand amendment to their text.

The Fiji representative was happy to go along with first part of the New Zealand proposed changes, which was the deletion of the two comments in the preambular text; however, Fiji disagreed with the New Zealand rationale for deleting bullet points three and four because they felt strongly that the work carried out by the Director would impact the recommendations to be tabled before this Committee; hence it was an issue they felt should not be

delinked from the work of the Committee because in their view it was very relevant to the SCW's work. Fiji submitted that their original wording of bullet point three should be retained; and that whilst it allowed the Director to consult with the CEOs of SPREP and SPC, the Committee was reminded to be mindful that the rationalisation of the work programmes of SOPAC into SPREP is something that has never been considered and that the SCW should not be limited to consulting only with her SPREP and SPC counterparts; but that other consultations, for example with donor partners needed to be carried out to elicit how the rationalisation would affect their support for programmes currently under the auspices of SOPAC. Fiji was also of the view that retaining the current wording of bullet point three would allow a more detailed study of other options that could emerge from the rationalisation process in addition to what the Committee knew already.

The Papua New Guinea representative wondered whether the allowance of a little bit of time for the three TORs to be circulated to all Council members might be fruitful, given the critical importance of the subject matter so that all countries might participate and have an input into drawing up the final Terms of Reference; even if it meant calling another meeting to consider it. The representative was suggesting the allowance of more time so that all countries were given the opportunity to participate in drawing up the TOR for the Committee's work, because of the gravity of the matter at hand.

The representative of the Republic of the Marshall Islands, whilst being appreciative of the suggestion by Papua New Guinea, remained mindful of the work tasked to the SCW by the SOPAC Governing Council and therefore proposed that a timeline be also set for member countries to come back with their suggestions with respect to reviewing the versions of the TOR, so that the Committee not be hindered in progressing its work.

The representative of Australia, while appreciative of the concern expressed by Papua New Guinea to go back to the rest of the Council, reasoned that the meaning of establishing a Committee of the Whole is so that the process be advanced. The representative was concerned that if there was a need to revert to capitals and other members especially for every major decision, then the Committee would be embarking on a very long process. She put it to the Committee to find a means of resolving Papua New Guinea's concern without initiating a long-winded process that discouraged moving the process forward.

Papua New Guinea clarified that she was not proposing returning to capitals; but that member countries take a little bit of time to look at what was already before the Committee. She suggested one or two weeks as being ample time for countries represented to formulate good inputs to the TOR and then reconvene to consider it.

The representative of the Federated States of Micronesia enquired whether the Terms of Reference required members of the Committee to return to capitals to seek Government positions on. Having not seen the different versions of the terms of references until the night before this meeting, and also being unfamiliar with the subject matter the representative was seeking clarification on whether other members had been required to submit their readings of the terms of reference in the same way

that the governments of Fiji and New Zealand obviously had.

The Chair asked the Director to respond to the enquiry by the Federated States of Micronesia representative.

The Director explained that the first circular announcing this meeting circulated the TOR drafted by the Secretariat. Following that Fiji and New Zealand took the initiative to forward suggested amendments and the Director felt it proactive to share those alternatives with Committee members. The Director, although appreciative of the comments of members around the table, was also of the view that the Committee could finalise its TOR by the end of the day-long meeting. The Director felt it most useful to clear the terms of reference before anything else; and observed that the points of differences appeared to be parked around the two bullet pointed text on whether the Committee was requesting or advising the Director on the consultative process with the other CEOs; and the matter of the Director requiring additional resources. These are the only two points being currently required of the Committee members to reflect on; along with the proposed replacement text by New Zealand for bullet point three in the Fiji text. The Director expressed her preference for a finalised TOR at the end of this meeting, and moreover she would find a 'roadmap' for her to follow over the next several months very useful. The Director informed the Committee that the Chair would be in Suva until Friday morning, and that if delegates needed time to 'sleep on' their formulations with respect to the TOR, that a very short meeting could be reconvened next day (Thursday) to consider those formulations. She encouraged Committee members that resolving the issues with the TOR before the end of the meeting would be the ideal.

The Chair confirmed the itinerary revealed by the Director; if the Committee members were to take up the suggestion by the Director for a very short meeting the next day for the particular item in question.

The representative of the Marshall Islands wanted it noted that he strongly supported the Fiji idea to include consultations with donors and those contributing to the work programmes of SOPAC, to draw out their views on the future possible continuation of their funding support should this rationalisation take place; for example, could the EU be asked if they would continue their support of SOPAC programmes should they be rationalised into SPC or SPREP – that would be the kind of reporting that members would find useful to know.

The representative of the Cook Islands was of the view that the Committee has had ample time to consider the TORs that was before it; and that the enhanced TOR that was a combination of the Fiji paper as the basis with the New Zealand proposed amendments should be accorded the importance it deserved and supported; but Cook Islands did not support the hasty deletion of the bullet points as proposed by New Zealand. Cook Islands expected this process to take time; and bullet point three allowed for a reasonable passage of time for progressing toward a reasonable roadmap. The representative supported the Fiji TOR as it stood (inclusive of the deletions from the preambular text); but with the New Zealand proposed replacement text inserted somewhere. The issues being raised again at this Committee meeting reminded him of the long hours spent in Tonga in

November 2007, discussing similar issues with respect to the whole RIF item. He warned that the Committee would not progress much further unless it came to closure on this particular agenda item.

The representative of Australia asked Fiji to explain again their rationale for dot point four as they didn't quite understand it at first hearing. The dot point read "ensure adequate resources are provided for the Director to carry out the tasks required".

The Fiji representative elaborated that this point did not come out strong enough in the initial terms of reference; that the Director needed to be resourced in order to carry out these consultations because Fiji viewed that the consultations ought not to be restricted to talks only with the heads of SPC and SPREP; but expanded to other discussions that this Committee may feel are required to adequately inform it for the decisions it would take. Fiji felt that the first TOR did not give the Director the resources she would need to carry out this process.

The Australian representative then asked Fiji what they proposed in terms of the resources that would be needed by the Director.

The Fiji representative asked the Director to inform the Committee on the extent of the work and discussions she could be involved in during this process and advise members if this could be met from her existing budget or whether she would require additional resources for the type of work the Committee is requiring her to perform with the TOR that is under formulation.

The Director explained that she was going to bring up the aspects alluded to by Fiji under agenda item 6 on the actual rationalisation. She begged the meeting's indulgence in deferring hearing these aspects until that agenda item because she had prepared a presentation to enumerate some of the issues that will need to be addressed under the rationalisation process. By then she expected that the extent of resources that would be necessary might be clearer. The Director also observed that the articulation of "adequately resourcing the Director" to realise Council's Decision was already clear within the Council Decision itself and whether it needed re-articulation within the TOR as Fiji was suggesting was a moot point.

The Cook Islands representative stressed that the bullet point on "adequately resourcing the Director" did ensure that the Director would have the resources required to carry out the task. Until the Committee heard the presentation under agenda item 6, he felt it was fair to say that in Tonga, as well as at this meeting, the need was recognised for the Director to be adequately resourced. The representative suggested leaving this issue (hence the bullet point in question) for now, until after the Director's presentation was heard under item 6, and then return to resolve what was at issue at this juncture.

The New Zealand representative made a small point of clarification in relation to the Director's previous comments in that the decision taken at Council last year (2007) was that this Committee would be adequately resourced to take forward the work, which was slightly different from this recommendation which was talking about the Director being adequately resourced. The representative acknowledged that they would welcome and find useful the Director's intention to present her thoughts

on costing. She also suggested taking the point in question out of this item to be dealt with it under item 6, because they viewed the issue irrelevant to the scope and work of the SCW. The recommendation was about the Director's resourcing and probably fitted better under item 6, where the Director was going to outline those points for the benefit of the Committee.

The representative of the Cook Islands acknowledged that the issues being brought up by New Zealand could potentially delay the arrival at a terms of reference as the Committee needed to terminate this item before it could move on to item 6 where the Director's presentation would be heard. The representative concluded that when 'the Director' was specified, it implied the involvement of Council; and by extension the Committee, as these entities were all involved in tasking her to go about doing things; so that resourcing the Director implied resourcing this Committee to do its work.

The representative of Tonga, with regard to the New Zealand comments on bullet point four in the Fiji paper (SCW01/5.3), proposed an amendment to the point to include references to both the Committee and the Director to ensure that the Committee and the Director were adequately resourced to carry out their tasks. The representative agreed that bullet point three was where the most important point of difference between the two TORs existed; and he pronounced himself weighing in on the Fiji side. The representative felt that it was an appropriate task for this Committee to prepare the roadmap to guide and advise the SOPAC Director in her consultations with SPC and SPREP and was therefore proposing that bullet point three in the Fiji paper be retained as presented. The Director, he felt, could not be expected to carry out her consultations with the other CEOs without the Committee preparing a roadmap (even a draft roadmap) to guide her.

The Papua New Guinea representative supported the Tongan suggestion on the need for the Committee to prepare a roadmap for the Director to follow in her consultations; but she wasn't sure about how often she was expected to prepare reports for the Committee to keep members abreast with what was being undertaken. If the Committee devised a roadmap with schedule and timings for when meetings were to be convened; she was sure that this would be appreciated by Committee members and she felt the required resources would fall in.

The Chair invited the Director to address the query by Papua New Guinea on the frequency of reporting; and was assuming the representative had been referring to the reporting to the SCW according to the schedule that would be discussed later on in the meeting.

The Director explained that while the original Terms of Reference were drafted with no prescription on the timelines, there was later on in the agenda to be discussion regarding the significant milestones that would need to be met in advance of scheduled Committee meetings. While draft progress reports would need to be circulated in advance of those meetings; she wasn't sure whether being prescriptive about the timelines was necessary within the TOR; but they were necessary in terms of agreed actions by the Committee especially in preparation for the Funafuti meeting in October 2008.

The representative of the Marshall Islands enquired whether the SCW (as opposed to the whole Council) had

the authority to approve resources for the Director; as he wanted to be clear in his mind in that regard.

The Chair asked the Director to clarify the issue brought up by the Marshall Islands.

The Director reconfirmed the New Zealand observation given in clarification as to what entity was actually in the Council Decision for adequate resourcing to guide and advise the Director. She elaborated that at the time of the Council Decision, Council did recognise that the Committee would need to be adequately resourced and the Director would be expected to be doing a lot of the legwork with respect to the Committee's work, in realising the Council Decision.

The representative of the Marshall Islands interjected to enquire whether the point made by the Director above translated into Council giving the Committee the mandate to approve resources for her to carry out the work she would be tasked by the Committee to carry out.

The Director thought that the decision making powers of this Committee would rest within its establishing a TOR. Beyond that it would need to report to Council with recommendations on progressing and realising the decision taken; so she didn't think the Committee was mandated by Council to approve the resources she would need.

The representative of the Marshall Islands had another point of clarification with respect to the point made by the representative from Tonga on the development of a roadmap for the Director's consultation with the other CEOs. He continued by observing that the Director was the one best placed via her work with others like the directors of SPC and SPREP to develop the roadmap herself and then presenting it to the Committee for discussion and approval.

The Tonga representative insisted on the importance of the Committee itself preparing the roadmap for the Director for the consultations. He reasoned that it was no use for the Committee to look at the report by the CEOs on their consultations; he thought the Committee needed to help the Director in her consultation and that all the elements for making up a reasonable roadmap was before the Committee now and that it wouldn't kill the Committee to prepare something for her to work with. He felt strongly that the Director needed some guidelines to help her with her consultations; but he wasn't sure that "roadmap" was the right word for the advice but his point was that the Director needed some help from the Committee in the form of guidelines before her consultations, so she could have some type of framework she could usefully work with.

The Papua New Guinea representative would rather leave it to the directors to formulate a roadmap and pass it on to the Committee members for them to make comments.

The New Zealand representative endorsed the Papua New Guinea and Marshall Islands view on this matter, that the other directors together with SOPAC's Director prepare the roadmap.

The Chair observed that a trend seemed to be emerging for that preference.

The Cook Islands representative expressed the view that the meetings with the other CEOs still go ahead and he didn't have a problem with that; but in terms of the preparation of the roadmap, or what needs to go into the roadmap, he was of the view that this should come from the Committee itself because the SCW belonged to the SOPAC Council and it needed to write up this document along those lines. It was raised in an earlier item the matters that needed looking into such as the legal and contractual obligations, and they did appreciate that it required a lot of work in that regard; and the members sitting round the table at this meeting would be working fully for Council on the same. A portion of the terms of reference on the issue of the nuts and bolts of the work involved would belong to SOPAC; i.e. the view of the Cook Islands is that this is what the SCW was established for, since the Leaders were wanting to merge SOPAC with the other entities and the nuts and bolts of advancing that merger should be examined in that accord.

The representative of Australia expressed the view that with the preparation of the roadmap, it was useful to note that SOPAC was not the only organisation that would be impacted by whatever arrangement was ultimately made, and she mentioned four: (1) SPC; (2) SPREP; (3) SPBEA; and SOPAC. She thought that the members of the SCW as members of the SOPAC Council could not draft a roadmap in isolation of the others. The SOPAC Council gave the mandate to the Director, in consultation with her counterparts, to come up with something mutually satisfactory and mutually effective. Given this nudge in that direction; it was the representative's understanding that such a roadmap would have to be negotiated with other organisations.

The representative of the Marshall Islands supported the Australian view and explained further that the CEOs concerned would know what needed to be rationalised, further admitting that he for one did not possess the technical expertise to sit down and negotiate a roadmap suitable to member countries and this was the main reason for their contention that the three CEOs were best equipped to easily see what programmes were best placed where – this type of roadmap, with the timelines and the resources to go with which programme, where – was best left to the three CEOs to iron out among themselves.

The Chair also reminded the Committee that this was plainly stated in the Council Decision that the SOPAC Director engage with the other two CEOs for the purpose of drafting a roadmap.

The Director provided the following wording for the new bullet point three in paper SCW01/5.3: ... "consider and comment on progress reports from the Director on her discussions with the CEOs of SPC and SPREP and other key SOPAC stakeholders, as the CEOs consider options toward preparing a draft roadmap." Her drafting attempted to encapsulate Fiji's points expressed about considering various options; the amendment proposed by New Zealand on preparing a draft roadmap; along with the various view points expressed by a number of delegates around the table. The Director repeated the reading of her drafted text for the benefit of those who didn't get it the first time.

The Chair in looking around the room gathered there was general agreement to the new text drafted by the Director; and after seeking confirmation and getting it, he pronounced the new text adopted.

The Director announced that a cleaned up version of the Terms of Reference would be circulated shortly to the Committee so that members might get a last chance to comment and refine it before adopting the same.

The Chair observed that adoption of that last bit of drafted text had resolved the last main point of difference on the TOR.

Papua New Guinea wondered if the cleaned up version of the TOR could be circulated to members and that a deadline be set e.g. by Friday, for members to respond with their refinements and that if there were no further comments or amendments received; that the circulated final draft text be taken as the finalised Terms of Reference.

The Australian representative was comfortable with the Papua New Guinea suggestion but was unsure whether there had been similar resolution to the point about resources that the Marshall Islands representative had made earlier; i.e. the question being posed was where the fourth dot point in the Fiji draft sat at this point – in or out?

The Chair also recalled that there had been a suggestion by Tonga to add 'Committee' to 'Director' as entities to be adequately resourced; and he wasn't sure whether that suggestion was generally acceptable. At a signal from the Australian representative, the Chair invited Tonga to repeat their earlier suggestion.

Tonga recorded that New Zealand had raised a point of clarification in that the Council Decision called for the adequate resourcing of the Committee rather than the Director and the Fiji TOR included the bullet point four to acknowledge that the Director would also require adequate resources for her to carry out her tasks. Tonga's proposal was to add the reference to the 'Committee' to the reference to the 'Director,' in the Fiji text.

The Australian representative submitted that the question of whether this Committee had the mandate to approve resources (as was asked earlier) remained unanswered. Since Council had mandated that this work be done; she interpreted that this was probably recommending that the Director do the necessary prioritisation within the budget to ensure that resources were available – this was the representative's reading of the Council Decision.

The Chair sought the Director's comments following that exchange.

The Director expressed appreciation for the comments made by the representatives of the Marshall Islands and Australia; as well as Tonga. She observed that the SOPAC exercise would probably not need the level of resourcing expended on previous RIF-related exercises such as the 2007 Pangelinan review of the RIF. However, she maintained that there would be some resources required to conduct some of the assessments that would need to be carried out when advancing through examination of some of the institutional arrangement options. She understood Australia's point about reprioritising within the SOPAC Budget, and reported that this would by necessity mean she would have to report to Council if she reallocated resources to activities that needed undertaking to realise the Council Decision with respect to the RIF. If the Committee was suggesting this as the way to raise the necessary resources, then the

Secretariat would proceed in this vein and report to Council at its next meeting on where resources were reallocated and for what purpose.

The Fiji representative expressed their concern on the reallocation of resources from the work programmes; as well as the reprioritisation within the SOPAC Budget as suggested by Australia as many island member countries are dependent on SOPAC on such activities as their continental shelf claims preparations. Given the importance of this particular issue to island members, Fiji did not expect Council to make a decision that will negatively impact island members' interests. He urged the Committee that while carrying out its work, that it remained mindful of members' interests; and that the work programmes of SOPAC to benefit members are not negatively impacted in this process.

The Cook Islands representative concurred with Fiji; but suggested that the Director identify where savings would be made; barring that he suggested that the Director tap into the reserve until such time when it could be replenished. Given that this is a Council-mandated exercise, he saw it as quite a sensible option for Council to use the reserve to fund this exercise.

The Chair repeated the suggestion about finding the required resources where the Director was encouraged to find savings or tap into the reserve fund.

The Cook Islands further elaborated that members wanted to take full ownership of the process themselves; even funding it themselves would be appropriate.

The representative of the Marshall Islands reminded the Committee that Council had determined that the reserve be kept at a certain level; and it was only the Council that could allow the Director to use the reserve funds. He didn't think that the Committee had the mandate or the authority to allow the Director to use the reserve.

The Cook Islands representative maintained that being part of the entity that was taking this exercise further; it was probably a task at this stage for the Committee to find out what it takes to use the reserve. While unsure of the level of costs involved; he was sure SOPAC was not going to run out of money; and to use the reserve until such a time when it could be replenished was an option worth exploring.

The Chair invited the Director to comment.

The Director revealed that "under extraordinary circumstances" the Director did have discretionary rights to access and utilise the reserve fund. She gave an example of an extraordinary circumstance being the need to evacuate a staff member in a medical emergency outside of duty station. She supposed that it could be argued that the current exercise was an extraordinary initiative; but that in any case she would have to report to Council on any use made of the reserve.

After listening to all the views expressed so far, the Tuvalu representative concluded that he would be more comfortable with having bullet point four of the Fiji TOR retained to give the flexibility to the Director to seek additional resources. He observed that there seemed to be a general consensus that the consultation exercise would have financial implications, but he was against specifying

where she found additional resources from, e.g. accessing the reserve; and preferred language that allowed for flexibility. Given the urgency communicated by the Committee for moving ahead, the consultations with SPC and SPREP were not likely to be confined to the opportunities accorded at meetings which all three CEOs attend. He was of the view that the Committee needed to set timetables.

The representative of the Marshall Islands quipped that members could always go back to the Leaders.

The representative of New Zealand informed the Committee that she was quite comfortable that it was going to take resources to see this process through; what she would find difficult was signing up to a process without having a sense of what might be involved; especially without the other members being present as well – hence their suggestion that when the Director gave her presentation under item 6; it would become clearer what sort of things would require resources and how much, which would aid in reflecting more sensibly on the matter. Her personal view was that the sentence should still be deleted because the TOR was meant to capture the work and role of the Committee; and that the question of resources could be addressed under item 6 in recognition of the fact that the Decision stated that the Committee would need to be adequately resourced. It was therefore implicit that the Committee would have to address the question of resources; but this was probably not the correct point at which to do that.

The Chair got members to agree with the suggestion that the discussion of resources be moved to agenda item 6.

The representative of Fiji requested that the bullet point at issue be retained until after the discussion under item 6.

The representative of the Cook Islands concurred with Fiji on retaining the bullet point and reconsidering it after discussion of item 6.

The Chair ruled that the bullet point be retained until after discussion under the next item.

The Director followed up with suggesting that square brackets be put around that particular bullet point to highlight that it was the one part of the TOR that would be revisited before the TOR was finalised.

The Chair moved the meeting to agenda item 6 – Institutional Arrangement Options.

6 Institutional Arrangement Options

The Chair requested the Director to introduce the item.

The Director presented paper SCW01/6 to the Committee. Highlights from the presentation include certain Facts and Figures about SOPAC including the budget, a snapshot of the legal ways to dissolve SOPAC, the technical programmes and the partners that support SOPAC programmes; five different models that could result from the rationalisation exercise; a “rationalisation at a

glance” short exercise carried out by the Director; and an overview of the immediate next steps.

Hard copies of the paper and presentation were circulated to members following the presentation at the meeting. The presentation and paper are also available online on the RIF page of the SOPAC website; and on CD from the Secretariat.

The Chair thanked the Director for her presentation, certain that it would be found useful by members for further consideration of this item. He picked up on the suggestion by the Director to examine options 2 and 3 of the five options presented as possible Institutional Arrangement Options:

- **Option 2 – SOPAC work programme absorbed fully into SPC**
- **Option 3 – SOPAC work programme absorbed fully into SPREP**

... for consideration and assessment. The Chair sought the Director's view on taking a lunch break at this juncture.

The Director suggested that it may be useful for members to make preliminary comments and early reflections on the presentation before taking a lunch break, with the view to more detailed discussions to follow.

The representative of Australia posed a question to the Secretariat that while suggesting the Committee concentrate on Options 2 and 3; whereas the roles of ICT were assessed in the presentation as clearly belonging in SPC; and roles for monitoring change and mitigating hazards were assessed as belonging in SPREP. His query was that if these were so assessed at a glance; would there not be a case for considering Option 4 as well. [**Option 4 – SOPAC work programme absorbed substantively into either SPC or SPREP with the balance into the other**]

The Director clarified that her “rationalisation at a glance” slide was formulated without consulting the CEOs of SPREP and SPC, who obviously knew their organisations better than she. She offered that the information on the slide was her sense of where synergies lay; for optimising those services or complementing their delivery. With respect to ICT, she got the sense that SPC would have the clear advantage due to their lead regional responsibilities for ICT and the implementation of the Digital Strategy articulated in 2007 (however, she also qualified that ICT not be all inclusive of the GIS and Remote Sensing and knowledge management side, which should be viewed as an imperative for many technical delivery actions); but in saying this neither did she wish to pre-empt the further discussions she would need to have with the CEOs. In respect of monitoring ecosystem change, for example, she explained that there were some affinities between the work of SPREP and SOPAC and there was already cooperation between the two organisations in the area of integrated observing systems. She viewed that in some areas synergies and links were clearer; and in others not as apparent, hence she advised the Committee to subject options to closer examination so the goal of “optimum arrangements” could be achieved to realise improved service delivery.

The representative of Australia then concluded that since there had been no consultations yet with SPREP and

SPC on the rationalisation; then the Committee should not pre-empt the discussions by saying that [SOPAC] work would be rationalised to SPC or to SPREP. Option 4 sounded to be the most viable in terms of the Leaders' Decision, i.e. that the work be rationalised to both organisations. If during consultations SPC were to say "We'll have this"; and SPREP were to say "We'll take this other work," then the Committee being encouraged to only look at Options 2 and 3 didn't allow for much flexibility for them in terms of where the work could potentially go.

The Director agreed with the representative of Australia and offered that Option 4 was most likely to be the scenario to emerge when looking at optimum arrangements; that total absorption into one or the other organisation would probably not happen. She further clarified that her main aim in presenting the rationalisation at a glance picture was to make the point that when viewed holistically and given the multi-disciplinary approach to SOPAC solutions; that the rationalisation was not that straightforward an exercise although not insurmountable. If the aim of rationalisation was "improved service delivery" for the region, then it could well emerge that the integrity of SOPAC services should be protected. In the consultations, she advised against being presumptuous on what the final arrangement would be given that it needed to be acceptable to all. The options were just the Director 'sharing' her views on the issues.

The representative of Australia explained that he took the suggestion to focus on Options 2 and 3 as a recommendation from SOPAC to only focus on those; when clearly Option 4 was just as valid as 2 and 3.

The Fiji representative thanked the Director for the brief submission on the full dimension of SOPAC services. Their observation at this point was that the CEOs have their work cut out for them in trying to rationalise all the programmes amongst themselves. He went on to express the concern that there seemed to be little focus in the discussions so far on the impact of this rationalisation on the member states themselves. Those members who were fully dependent on SOPAC for their continental shelf delimitation work; in offshore mineral resource programmes were concerned about where their interest would be best served in this process. Understandably, in the discussions amongst the three CEOs, the prime focus would be on where this or that programme should go; and not on how the benefits to members would be affected by this exercise. Fiji therefore suggested that an independent consultant could usefully be tasked to find out how the interests of members would be impacted by this process. While Australia had pointed out earlier that the three organisations would be the entities most affected; Fiji appreciated that while members might be relying on the consultations of the three CEOs to account for members' interests, there would always be bias in their views. Fiji was interested in an independent view of how members' interests would be impacted and proposed that an independent consultant be engaged whose work was to supplement the work of the CEOs; so that members were fully aware of the implication of the decisions taken.

The Cook Islands representative concurred with Fiji. He had been in Tonga and was part of the discussions about the likely impacts of the rationalisation. Also in view of adequately resourcing the Director to undertake her tasks in this process, he also agreed with the engagement of an independent consultant. He wanted to look at the

options bearing in mind the advice given to Council on limiting fragmentation; but also agreed that this Committee should not pre-empt the discussions of the CEOs in their examination of Options 2 to 4. He reminded the Committee about the SPC-SOPAC Integration exercise and the Council's decision with respect to that; and wanted consultations to account for that outcome. Even if SOPAC was to go – he opined that the process would take some time – as there was no quick fix solution to the amalgamation or rationalisation. After all these consultations and considerations this Committee would still have to return to Council to get the final approval.

The Australian representative expressed the view that members needed to return to the Leaders' Decision. Leaders of all the nations represented around the table in this Committee made the decision in 2007 on "the need to rationalise the functions of the Pacific Islands Applied Geoscience Commission (SOPAC) with the work programmes of the Secretariat of the Pacific Community (SPC) and the Secretariat of the Pacific Regional Environment Programme (SPREP) with the view to absorbing those functions of SOPAC into SPC and SPREP". She stressed that this Leaders' Decision needed to be paramount in how the Committee goes about its job of working out how best to implement that Decision. The Leaders' Decision therefore should impact a number of the options presented and the focus that the Committee needed to take. She pronounced the 'rationalisation at a glance' chart as good; and useful as an example of exactly the sort of work that needed to be done. As a first step it looked at those functions and just worked out who was doing what at the moment; and what emerged from that as the most sensible and best option for the delivery of the service. She thought that before embarking on any big process, she could not really understand the need for formal bilateral discussions at that stage, and offered that trilaterals would go a longer way with fleshing out the details on the 'rationalisation at a glance' framework; and the understanding would be shared of functions and advantages and disadvantages of different options and also bringing together the knowledge that each CEO had about the corporate aspects to making the decision to move ahead. The final point placed before the Committee by the representative was that the Leaders' Decision which this Committee was formed to respond to was made in October 2007; and the same Leaders were scheduled to meet again in August 2008. She submitted that it behoved the Committee to have a 'substantial' report; which did not mean that everything about the matter was sorted; but that the substance of what was submitted gave clear direction on what had been achieved since the 2007 decision; i.e. the current discussions stem from a Leaders' Decision; therefore the next important milestone is when the Leaders next meet, which is August 2008.

The representative of the Marshall Islands wanted to join those that had already thanked the Director for her presentation. Being one that understood the benefits of the work programmes being rationalised he appreciated how difficult it was to see how the programmes would be sustained beyond SOPAC. Perhaps if this had been presented to the Leaders maybe they would have emerged with a different decision; maybe this was the missing link in trying to rationalise all this. He said that sustainable service delivery to our people was something that had never been considered; nevertheless since the Committee was now tasked with this responsibility, we see it is not easy to try and rationalise all this information and to work out the best possible way forward. He did understand that the Leaders

Suva

Tuesday, 13 January 2009

had made a decision; but in that decision, he pointed out, they never said you should do this by that time – the Leaders just said ‘rationalise’ and left it at that. “If we go and report they might ask ‘Who told you to give the time frame on this or that?’” and this he felt the Committee should be mindful of. He stressed that the most important thing for the members was that Pacific people should continue to receive beneficial services from the regional organisations.

The Papua New Guinea representative expressed their appreciation for the Director's presentation to the members. She appreciated the technicality of the work that SOPAC was doing and the difficulty of rationalisation of the programmes according to what the Leaders wanted and how this would affect the work programmes themselves. She enquired whether the options outlined by the Director was the SOPAC view; or whether her consultations with the other CEOs came up with them. It would be good for the members if input from other CEOs could be incorporated into the options provided. From that they could give some guidance on the types of programmes that their organisations can absorb. They could also probably come up with some advice on other options. The combined advice of the three CEOs would be useful for members to appreciate the technicality of the work programmes; and especially so that members don't lose sight of the programmes that the smaller island states are benefiting from. The representative was implying that there would be a greater degree of comfort with members if the three CEOs would broaden the scope of their advice to the Committee with respect to all the different options for rationalisation.

The Director thanked the members for their initial comments in response to the presentation; and the various ideas for the way forward. In response to the Papua New Guinea comments, the Director acknowledged that the consultative process would need to begin as soon as possible. She recognised the merit in the Australian idea of beginning with trilateral discussions with the CEOs first to determine how to proceed. Those discussions could very well confirm the suggestion about a business case being developed by the other CEOs, because the essence of the rationalisation is about them receiving and becoming responsible for the services of SOPAC and it would be their responsibility to ensure, with members requiring their assurance, that those services are sustained and improved beyond the rationalisation. The implication was that a greater degree of accountability should be expected of the CEOs of the receiving agencies; and they would therefore need to put up quite convincing business cases to this Committee and thence to the SOPAC Council that agency A or agency B would be the best fit in providing improved service delivery. The Director further acknowledged her own role and responsibilities on behalf of Council to ensure progress and sensible discussions around what the optimum arrangements are; and she was cognisant of what needed to be done given that she had effectively operated the agency that is being rationalised for four years; with a reasonably good understanding of what it was that SOPAC did; therefore her input would be necessary. She submitted that the three CEOs would need to work very closely together using whatever modality for combining their knowledge and ideas and bringing them to bear on the various aspects and levels of the rationalisation they were considering at the time. The Director repeated the details of the informal and very preliminary talks with the SPC, and SPREP CEOs, respectively. She expected a longer

meeting with the SPREP CEO in early April; but barring that she would consider travel to Apia to hold those talks. In terms of decisions; the SPC CEO had instructions from his Committee and the work he was undertaking would also be useful to the SOPAC Committee on matters of costs and legal implications. The Director hoped that the SPREP Director would be proactive in having discussions with her; even though he would be working without clear directions from his Council as he would be presenting the Leaders' 2007 Decision for the first time to the SPREP Council in September 2008.

The representative of the Cook Islands asked the Director that copies of her paper and presentation be given to members for their information so that members' initial thoughts on the amalgamation could be processed later. He pronounced the issue of programme delivery as paramount at this time in terms of country programmes, and was to be facilitated during the talks. He also pronounced that he had no problems with keeping the Leaders' Decision in mind as this Committee was addressing it; however, no timelines were prescribed by them which implied that officials in addressing the decision would make their own timelines; and he wanted to ensure that the Committee would table the best option for the people of the Pacific. He was mindful that he didn't want to be remembered by his posterity as the one who was party to a wrong decision now; because the service to the Pacific on the delivery of the programmes would have failed. He reminded the Committee that as was discussed in Tonga the SPREP Director was yet to present the 2007 Leaders' Decision to the SPREP Council, and this was not till September 2008; and after that he would need time to examine the options that this Committee had heard about at this meeting. He pointed out that the next item would discuss timelines and he didn't want to pre-empt it; but he acknowledged that it would be useful for the Leaders to be updated on progress in August 2008.

The Chair adjourned the meeting for lunch, setting 2 pm as the time to reconvene.

LUNCH BREAK

The Chair expressed the hope that members had considered the options that were being discussed earlier and discussed it with colleagues over lunch; so he opened the floor for further discussions.

The representative of the Cook Islands informed the meeting that the main reason behind his requesting the Director to circulate the papers related to her presentation before lunch (SCW01/6 – SOPAC Parameters [paper & presentation]) was that they did reflect the Cook Island thinking on all the options. He referred the Committee to the bottom of pages 12 and 13 and was sure everyone agreed that the options would need further study; especially looking at it with the view to improving the delivery of services to island nations – as this matter would have a bearing on the work programmes of island nations. He continued that maybe the bigger countries in the SOPAC membership may not feel the pinch but those nations that did heavily rely on SOPAC as the Marshall Islands was lamenting would certainly experience setbacks according to the level of programmes requested of SOPAC. This was evident at every SOPAC annual meeting where it was commended for its role as technical adviser to island nations. The representative admitted that he was one that was passionate about SOPAC; and he worked for a ministry that was fully utilising SOPAC for sustainable

development planning. He informed the Committee that the advice worked, and interventions of the international community in association were spread across the many sectors. He knew that island member countries all said the same; being only different in the programmes requested. He stressed again that the options needed serious assessment according to the Terms of Reference that would be finalised at the end of meeting; looking even to improving the service delivery. Cook Islands preferred coming to closure on the Terms of Reference by the end of the day. The SOPAC parameters as presented by the Director were self-explanatory with the current set up; and evidently a success story given the \$30M budget, i.e. if SOPAC wasn't competent, it would have really failed the island nations but all evidence pointed to a well organised programme – this was his view on the matter being discussed.

The Chair summed up that three countries had so far indicated their support for some sort of study on the impact of the rationalisation exercise on the interests of the Pacific Island Countries and their peoples.

The New Zealand representative agreed to the need for some sort of assessment being done; and that it was only a question of timing; and which steps came first in the process. She found the rationalisation at a glance exercise that the Director led the Committee through helpful in setting out her perspectives on where the match of functions might be in SPC and SPREP. She proposed that a really useful exercise would be to expand the 'rationalisation at a glance' chart among the three CEOs and bringing out the different viewpoints along with adding in the linkages with the programmes in each of the agencies, and tabling it before this Committee. After expanding on the rationalisation at a glance, the CEOs would be well placed to think about options – whether it was one option; or two options, even three – because it would be really well informed by that mapping analysis. She touched on the assessments that the Director outlined the need for, such as cost-benefit analyses (BCA), and this was sure to address some of the concerns expressed by the Cook Islands on the impact on service delivery etc. Once the set of options was narrowed, then would be time enough to assess legal implications. Her view was that it did not make sense to start those assessments until there was clarity on where this process may go, because they would be expensive. There were a number of steps that should take place before the Committee could get a sense of a roadmap emerging. Finally she assessed that all the steps outlined above would be best handled via trilateral discussions by all three CEOs, with reports back from the Director to this group for their input and suggestions – and that everyone involved needed to sit around the table and look at this exercise in earnest.

The representative of the Marshall Islands stated they were comfortable with having as many options as possible to assess from them which was most beneficial to the region and the rationalisation. He would also be most comfortable with the Options 2, 3 and 4 in the paper being thrashed out by all the three CEOs; he assumed that would include looking at the funding aspects and how the transferred programmes would be able to be continued.

The Federated States of Micronesia with respect to the point made by Australia on the need to go back to the Leaders' Decision – i.e. the need to rationalise the functions of SOPAC with the work programmes of SPC and

SPREP – he posed the question whether the intention of the Leaders was to abolish SOPAC; and take its functions into SPREP and SPC; or whether they meant to keep SOPAC and just streamline certain functions which they saw as duplication, and therefore additional costs. The other question was whether it would be useful to get government technical people involved in implementing the decision, given the technical nature of most SOPAC work. He was concerned that diplomats had to consider the fate of programmes that back in their governments were implemented by the technical people.

The Chair asked the Director to summarise the few points that had been raised during discussions.

The Director assessed that some progress had been made during discussions on what the next immediate steps might be. She summed up points raised thus: firstly, some countries asked for an independent assessment to look at the impacts of service delivery into the member states, which would need to be undertaken with a suite of other assessments; e.g. the cost-benefit analyses and the legal assessment which she added should be two-pronged, firstly looking at the Agreement itself and Article 16 on the legal process for dissolution; and secondly the contractual implications for the extra-budget, which is at this time a significant portion of the total budget. The Director recognised the merit in the four-step approach suggested by New Zealand; and repeated the reason for the presentation before lunch – that there was no single, obvious solution and that to reach optimum institutional arrangements it could be cut a number of ways. She concurred with the wisdom of convening a trilateral for now; but was also of the view that room should be left for other types of meetings.

In summation, the stepped approach proposed by New Zealand according to the Director:

- i. In the immediate future to expand on the rationalisation at a glance with respect to identifying where all the links and synergies lay.
- ii. A number of assessments were raised and the Director thought some of them need not be terribly expensive, e.g. a legal opinion was more to help countries with how to carry out Article 16; contractual agreements assessment – to work with partners that currently support the work programme, as well as to have legal opinion on modifications and termination to ensure that sustainability of programmes were not compromised. She pointed out that SOPAC was not supported by 100s; but only a few donor partners and getting their views would not be a major exercise; the BCA she envisaged would be broader based. The concerns expressed by certain countries for some level of assurance about the effect on benefits to members of the rationalisation, she felt could well be addressed through the BCA. In terms of sequencing of actions; parallel assessments may be a way to go; but she thought the legal and contractual assessment should happen more quickly. The BCA was described as a "deeper at-a-glance" view of the different arrangements. She acknowledged that the assembled members as a Committee had provided her with a clear steer

into the direction she should move in the immediacy.

The Australian representative asked the Director to sum up again those activities that she summarised above as requiring immediate action; as she suspected a difference in understanding.

The Director summed that the first Trilateral possibly in April 2008 to flesh out the 'rationalisation at a glance' picture initiated by herself; then reporting on that first Trilateral to the Committee by letter (or e-mail) as those items needing immediate action.

The Fiji representative didn't hear the Fiji suggestion in the Director's latter summation on an independent consultant for the members who were benefiting from the SOPAC technical advisory role at the moment. Fiji proposed that this independent consultancy on behalf of the members could take place concurrently with the trilateral consultation of the CEOs; because they felt strongly that the current focus of the Director's summation was on the three organisations and how they would fare in the process of rationalisation; and they feared that the member states would be overlooked. Fiji thought there was enough support from round the table for a consultant to look at that aspect.

The Director apologised to the representative of Fiji and explained that the part about 'service delivery to members' was at the centre of all of this; and that she had assumed the concerns by Fiji would be accounted for through the BCA and that at least on the SOPAC side she would look to commissioning a consultant with some level of independence. If this aspect that is concerning Fiji and others were not covered comprehensively through the independent BCA then a disservice was being done to members. The main purpose for the BCA was to ensure that services currently enjoyed by members were not compromised; and in fact the idea was to ensure that these services would be improved. In terms of taking this forward, the Director would need to decide with her counterparts all the areas that would need to be covered in the BCA; and that the Committee should closely examine the results of the BCA for the assurances being sought by members as in the Fiji proposal.

The representative of Australia thanked the Director for the latter summation and was happy to see the sense of urgency; and asked to make observations as a donor. As a donor she identified herself as one of the stakeholders that would have to be consulted; and that when it came down to details like contractual arrangements and the impacts of this [rationalisation] process upon contractual agreements; and assessment around other legalities – as a donor she intimated that wouldn't feel able to make a commitment until she had a clear understanding of what direction and option was being taken; and she felt that other key stakeholders would hold the same view. What she wouldn't find helpful would be to say that if it went this way, then we'd do this – there might well be two options toward the end but these needed to be something quite concrete before stakeholders would start wondering at how the new arrangements would affect the existing contractual arrangements. She reckoned that this needed to be fed into the Committee's [or is it the Director's] sequencing.

The Director concurred with the Australian point; in that the institutional arrangements would have a bearing on

consultations with donors. She still felt that the Secretariat would have to carry out assessments on contractual agreements to see where these all stood at this point; but agreed that it would not be helpful to hold consultations with donors on the strength of hypothetical options only; but once there was a sense of how things were trending then those assessments would become useful.

The representative of Tonga expressed support for the Director's paper. He felt that enough information was provided in the paper for the Committee to be able to make a decision on the options to concentrate on; since options 1 and 5 had already been eliminated. The representative reckoned the best assessor with respect to the options would be the member countries who received the work of the three different agencies. His recollection of past assessments by consultants had all the recommendations turned down by the countries; and this could be setting up for the rejection of another. The representative felt the Committee could further narrow the field of options for the Director to consider with the other CEOs. He reminded the Committee of the earlier disagreements over who was to draft the roadmap for the Director; and observed that this was exactly what was going on now, the Committee drafting a roadmap [for the Director]. Lastly he mentioned the "hidden factor" of the timeline – his summation was that the draft TOR could be finalised; the Committee could decide which institutional arrangement option to go with; and the Director was left with finding out from SPC and SPREP whether they accepted what this group proposed. If a consultant was sought to assess; it was his view that all three agencies would have to be assessed and not only SOPAC. He concluded that the Committee was drafting the roadmap [for the Director]; when in the morning most members had disagreed that this Committee draft the roadmap. Furthermore, he suggested that the Committee choose between Options 2 and 3, as recommended by the Director, and the Director take it from there – otherwise he surmised that any consultant engaged would use the same information with the conclusion to go back to the countries.

[Editor's Note – The delegate from Tonga in all his interventions where he uses the term "roadmap" is actually equating it to a "set of guidelines from the SCW for the Director in her consultations with the other CEOs". All other members of the Committee are using the term "roadmap" in the sense that it is used in the SOPAC Governing Council Decision]

The Cook Islands representative understood the points made by the representative of Tonga. The due process was certain to involve what the Director's paper talked about. In view of the roadmap – the Committee was beginning to articulate the steps (as heard from New Zealand); and set some priority of the sequencing of the process (as heard from Australia) – while most of those items had been covered in the morning session, the Committee was now going over the nuts and bolts of that articulation. If this be a juncture to air some concerns and issues; the representative wanted to raise the issue of the "membership", as it would likely involve other nations. He elaborated that at this point SOPAC had twenty-one member countries; although unsure how many members each SPC and SPREP had; he knew that they had other donor partners and members not in the SOPAC family of Pacific island nations; and documentation he'd read so far showed the greater involvement of the US and France in SPC. When looking at the best options for amalgamation, this was an issue to be considered. The other issue he

wanted the Committee to bear in mind was the staffing; and that these would be people that were being dealt with ultimately (alluded to earlier by the Marshall Islands). This was his key intervention when SOPAC first talked about the amalgamation issue. He was reminded of his own experience in 1999 when he had to preside over one of the most unpopular restructures in the Cook Islands. The Ministry of Works with 249 staff members had to be whittled down to 51 – not a process that was without pain for those affected and to those that had to implement the change process. Hence his intervention in 1999, where he reminded Council about the people that would be affected apart from the programmes that would be delivered in the Pacific Islands. He also tabled the issue about Article 16 of the SOPAC Agreement, which did have a bearing on how all future programmes were going to be developed during this time of rationalisation of service delivery institutes in the Pacific. He also considered that the issue of who wrote the paper and the content of the proposal to the Leaders (in Tonga, 2007) before the Leaders' Decision emerged should be relevant in this process. He drew attention to the recent developments in Australia; and especially Prime Minister Kevin Rudd's twenty point Port Moresby Declaration, out of which he quoted point seventeen "the Government of Australia is committed to working with the Pacific islands nations on the basis of partnership, mutual respect and mutual responsibility" – he felt this should be the way that this process be moved forward; and did impact on the way this rationalisation process was being put together.

The representative of Australia asked the Cook Islands representative to elaborate on the impacts he just mentioned; as she felt the sentiments expressed in the point (seventeen) read had been part of the process to date and she invited him to elaborate on its relevance.

The Cook Islands echoed the sentiments of the point about "partnership, mutual respect and mutual responsibility" and considered them as essential for the process currently being undertaken and especially in terms of respecting the other countries around the Pacific that Australia and New Zealand have supported for so long.

The representative of Australia confirmed that the expressed sentiments were very much the basis upon which they were proceeding. When drawing members back to the Leaders' Decision she was referring to a decision by Pacific Island Leaders; and not a unilateral decision. She emphasised that that was the basis upon which they absolutely and definitely wanted to proceed.

The Cook Islands representative returned to his theme for Article 16 of the Agreement; and enquired whether the Leaders' Decision superceded the Article that was established. He concluded that the Committee had achieved what it was required to do at this meeting; and that at this point only the areas of work that needed to be articulated were being examined, i.e. the legal implications, the contractual arrangements, the impacts to the nations. The key question by the representative, with respect to SOPAC, was if the Leaders' Decision did in fact supercede the Agreement Establishing SOPAC. These being technical and legal issues; the representative agreed with the Director in that in-country dialogue would be required with respect to the programmes and implications on these, of the RIF exercise. He reminded members again about the membership and staff issues he brought up earlier. He also suggested adding staffing to the areas to be assessed during the BCA; posing questions like – once the decisions

about what goes where were made; then were the current staff of SOPAC required to re-apply for positions. The issues would ultimately deal with and impact people.

The Chair referred to the summary provided by the Director which he assessed as receiving general agreement among members on how she should proceed with the consultative processes in April at the trilateral level; and also the assessment of impacts on the member countries of the rationalisation exercise – that seemed to be the way in which the Committee would move on from this point.

The Marshall Islands representative sought clarity on what was being proposed with respect to the options; as some members were saying 2 and 3; and others 2, 3 and 4 – for the Director to be having consultations about with the CEOs of SPC and SPREP.

The Director explained that in the first trilateral consultations the CEOs would look at areas of greater links and synergies; and she felt the arrangement in Option 4 would quite likely emerge. She also felt duty bound to communicate to her counterparts the sentiments of the SOPAC Council on limiting fragmentation and looking at maintaining the integrity of SOPAC services with respect to how it delivers solutions. She also acknowledged that it was highly unlikely that total absorption into one or the other agency would occur.

The representative of Tonga reminded the Committee that one of its mandates was to guide and advise the Director during the consultative process; hence he thought members should decide which of the three: 2, 3 or 4 to advise and guide the Director, and then it was up to the CEO discussions to put the details on the best fit.

The Papua New Guinea representative interpreted that the Committee agreed with the Director's summary of what she needed to do next; and she would make submissions to her counterparts from SPC and SPREP and they would decide on the best option. She reported that at the SOPAC Governing Council, when leaders came to the meeting, there were people who were sitting on the fence not knowing which programmes were going to go where. Their final agreement was for the three CEOs to come together and they decide what the best option to assess was, and the Committee had adopted the same agreement after the Director's summary and thought it should be left at that.

The Chair confirmed that general feeling of agreement after the summary by the Director on the next steps. He ruled that matter as decided. The Chair went on to draw the Committee's attention to the revised TOR that had just been circulated; with bullet point four encased in square brackets for further comment and discussion.

The Fiji representative reported that having gone through some discussion and gaining a greater understanding of the financial implications of the whole exercise, he recommended dropping the square brackets.

The Cook Islands representative concurred with Fiji.

Chair summed up for the benefit of other members that the suggestion by Fiji (supported by the Cook Islands) was to remove the brackets from the fourth bulletin point;

following all the information provided and discussions already undertaken.

The representative of Australia repeated her earlier concern, which was the same as that expressed by the Marshall Islands, which was whether the Committee had the mandate "to ensure"

The Marshall Islands representative suggested that when the Committee reported to Council about the amount of resources required, then Council would approve the resources. The question on the Committee having the mandate to approve resources was still unanswered; so this Committee would need to report to Council and it would approve the resources required for the Director to carry out her consultations.

The Cook Islands agreed with the Marshall Islands on the issue of resourcing the Director to carry out her tasks. Since the mandate of the Committee to approve resources was in question, and therefore it would have to wait until October 2008 to seek Council approval for the establishment of the funds that the Director would need, the representative reminded Council about the point he made earlier on accessing the reserve, which the Director had discretionary powers to access.

The New Zealand representative had the idea to move more quickly rather than wait for the next Council meeting and suggested that the Director scope out the cost areas, possible implications and where the money might come from and send out a proposal to all members by letter for confirmation. She observed that this particular level of detail might sit under the general mandate for the Committee to take the work forward; however it would be useful to have the opportunity to see the cost areas mapped out and for all Council members to make that decision, bearing in mind that it would have some implication for other areas of the Budget.

The Chair asked the Committee whether the suggestion by New Zealand was generally agreed.

The Director brought to the attention of the Committee a matter about resourcing that the Director-General of SPC had raised as well, and that was that SOPAC was not the only organisation that was required to resource the rationalisation initiative. She acknowledged that this would be a matter that she would bring up with her counterparts at their initial consultations; and agreed to put some indicative costs together for submission to members.

The representative of the Marshall Islands informed the meeting that he understood there was a proposal to establish funding under the RIF within the Pacific Islands Forum Secretariat (PIFS) budget; and the Committee could explore that with the Forum Secretariat (budget approval permitting).

The Chair confirmed that the Director would circulate the costs information to members.

The Chair also reconfirmed after the agreement of members to delete the brackets encasing bullet point four; which completed the discussion of outstanding issues regarding the TOR.

The Chair announced the next agenda item – Timelines and Constraints and asked the Director to introduce it.

7 Timelines and Constraints

161) The Director observed that throughout the meeting, references were being made to various meetings, including various council meetings with respect to timelines. She thought it would be useful to have a discussion around the timelines and constraints to help identify some significant milestones in terms of various Council meetings that were clearly related to the RIF initiative. The annotated agenda listed four important meeting dates:

- i) Forum Meeting, 18 August 2008, in Niue (~five months away).
- ii) SPREP Meeting in September 2008, in the Federated States of Micronesia (2007 Forum Communiqué to be considered for the first time).
- iii) SPC's CRGA Meeting in early October 2008, in Noumea (Director General expected to report back on clarification of certain issues to do with cost and legal implications as requested by the US and American Samoa).
- iv) SOPAC Council Meeting, 21-29 October 2008 (in Funafuti).

162) The Director suggested as outlined by the Chair in his Opening Remarks that a progress report be provided to the Leaders via the Chair on the SOPAC Decision, and the progress since that decision. SPREP, it was hoped would be considering the Leaders' Decision and reporting on the interim consultations held with the SOPAC and SPC CEOs. For the SOPAC Council meeting this Committee would have to prepare a report with recommendations for Council consideration; and she hoped that by that stage this group would have advanced the initiative significantly enough for Council. The timelines constrain; but also provide a framework within which the Committee and the Director would conduct their work; with most mentioned dates, now confirmed.

163) The New Zealand representative communicated her understanding of the SPC Decision, which was that the Director General was to report back on a draft roadmap in 2008; and address some of the concerns raised by American Samoa and the US in the SPC case. The representative was pleased with what the Director said in her report about preparing a very substantive report back to Forum Leaders; she figured they would be expecting that, given that months had gone by. She recognised that SOPAC was not the only agency affected by this; and that advancing the initiative would depend on the engagement of others. While the Committee had moved ahead and agreed at the current meeting on some steps that would need to happen; she admitted that she would be very concerned if sight was lost of the hope of a draft roadmap produced this year for consideration, not necessarily finalisation, but at least something emerging that would give some clarity on where the initiative was headed. She felt it would be a shame to resort to pessimism and say it couldn't happen; and they would really just have to see how the process progressed from this point and do the best to advance things, taking into consideration all the steps that had been talked about.

164) The representative of the Marshall Islands thanked the Director for providing the dates reflected in the paper, but his view was that the consultations among the CEOs could go ahead but that the dates provided didn't really have any bearing on them; i.e. the CEOs should go ahead and consult as they had opportunity, in response to the decision of the Leaders.

165) The Fiji representative acknowledged their understanding of the importance of progressing the issue; but expressed concern that this Committee be guided by deadlines set by other organisations as the Committee should be mindful that its work was in response to the directive of the SOPAC Council. While he also understood the decision of the CRGA and the upcoming Forum meeting, he cautioned against rushing through to report to these organisations. He suggested updates provided to the Chair. He recalled sentiments expressed in the Chair's Opening Address about 'getting it right' – as this was more important for the members.

166) The Chair, on assessing that there were no further comments, suggested that the comments and the dates provided be noted.

167) The Chair then asked the Director to introduce the Agenda Item 8 – SOPAC Director Work Programme – Initial Tasks to be Completed.

8 SOPAC Director Work Programme – Initial Tasks to be Completed

9 Proposed Schedule of Committee Meetings and Reporting

168) The Director requested that she link agenda items 8 and 9; so that events in the course of the next few months could set realistic dates in her work programme and the associated Committee meetings to achieve certain milestones. Discussions had already occurred on the immediate first steps. She highlighted that the CEOs certainly had their work, in respect of paragraph 19(b), cut out for them over the next several months. With the tentative dates for the second Committee meeting set for Mid-May, where a more elaborate rationalisation at a glance would see what trend was emerging in terms of institutional arrangements. The Director hoped that at that second SCW meeting she would also be able to give some progress report on the legal assessment, and some findings in terms of the contract agreements SOPAC currently had with donors; all this to demonstrate that progress was being made. She also looked forward, at that meeting, to more advice and guidance from the Committee to herself and her counterparts, on which institutional arrangements had the most appeal on the basis of improved service delivery. She envisaged the work between the second and third Committee meetings as involving the elaboration of the draft roadmap articulating further implementing or achieving the institutional arrangements that were being suggested. The BCAs should occur also around this time on the various arrangements in readiness for the third Committee meeting tentatively scheduled for mid-July, which gave some months for preparing documentation on progress to the SOPAC Governing Council. The Director encouraged members to react to the number of meetings and timelines; as she endeavoured to find practical timelines to suit everyone given that all had other demands on their time aside from the current business.

Suva

Tuesday, 13 January 2009

169) The Chair invited members to comment or make alternative suggestions.

170) The Fiji representative recognised the valid points raised by the Director; and being mindful also of the busy schedules of members, over and above SOPAC matters, supported the tentative meeting dates but would also very much appreciate definite dates being firmed up closer to the times that were being suggested.

171) The representative of Australia acknowledged that members did have very busy work loads; and expressed the view that she didn't expect a huge amount of paper work in advance of the meetings; and that she would be pleased with slimline meeting papers so as not to tie up too much of the Secretariat's resources in servicing the meetings.

172) The representative of Papua New Guinea expressed approval for the arrangements as outlined by the Director and the timing suited them, because for the moment there was nothing going on for them. She was certain that members would appreciate whatever the Director prepared in advance of the meetings; and expressed that it was at the meetings that assessment could occur on the progress she'd made to decide the next steps.

173) The representative of the Cook Islands was reminded of when he told the Director and her team to "get to work" at the end of the Tonga meeting and he observed that up to this point the team had done a pretty good job, since the Director had people around her to facilitate these things. He confirmed that this group wanted this to go forward, and there was a team around to make it happen.

174) With no further comments the Chair ruled that timelines and comments by members be noted.

10 Other Business

175) The Director firstly apologised for not having an item on the original agenda for Other Business, and promised that all future meeting agendas would have an item for other business; as there almost always was something extra to bring up. She then placed before the Committee for their consideration the following:

Future Observers at SCW Meetings

176) The Director reported that she had been approached by the US Ambassador to attend SCW meetings as an Observer. In addition she put it to the Committee to consider giving both SPC and SPREP observer, or even participatory status at future SCW meetings by inviting their respective Chairs to attend the Committee meetings. She submitted that the US is indirectly a member of SOPAC, given that Guam is a full member of SOPAC; however, the Ambassador was specifically requesting that the US observed as the US. She interpreted that this meant extending invitations to France and associated members (New Caledonia and French Polynesia). Depending on the views of members, invitations could be extended for their attendance from the second SCW meeting.

177) The Chair invited the views of Committee members on the matter.

178) The Marshall Islands representative enquired if SOPAC was going to provide translation into the French language if France were invited; (joking aside) and welcomed the idea of inviting the United States and France to observe. Both were part of the Pacific Plan Action Committee (PPAC), and both committees were discussing the RIF, hence the representative announced that his delegation had no problems with their being invited to observe.

179) The representative of Papua New Guinea wanted clarification on whose mandate it was to decide who could attend SCW meetings.

180) The representative of the Marshall Islands was of the view that since these governments were involved in the PPAC, he didn't think there was a need to seek a mandate from Council.

181) The representative of Papua New Guinea preferred to get back to her capital and seek their view on the matter. She felt members' interests had to be considered before hand; and still wanted assurance at the level of Council to permit the Committee to grant Observer status to non-members.

182) The representative of the Cook Islands concurred with the view from Papua New Guinea on the matter, being an issue on which the Committee would need to return to Council to get approval through some letters or something along those lines. With respect to the RIF process, he confirmed as alluded to earlier, these countries were part of this. He wasn't sure whether he preferred to go to Council first and get the mandate for engagement; or engage first and the Committee report to Council in October that the Committee engaged. The representative agreed with the views of the Director on the observer status for the US and France; and also granting participatory status to associate members, but expressed the hope that they didn't hijack the SCW meetings.

183) The representative of the Marshall Island suggested a way of dealing with the matter would be that an e-mail message be sent to member countries stating the US request and inviting responses to the Committee, then the group can take it from there.

184) The Chair ruled that there was agreement from around the table with that suggestion and requested that the Director attend to the matter of circulating the message to Capitals.

185) The representative of Australia brought up the second part of the Director's suggestion on participatory roles for SPC and SPREP at future SCW meetings.

186) The Director elaborated that the first approach had been made by the US and that in submitting the request to the Committee, it was clear that the opportunity of a more-embracing approach be considered, given that everyone was involved in the whole issue; and that the Chairs of both SPC and SPREP had similar tasks as the SOPAC Chair. The Director ventured that probably by the time of the 3rd Committee meeting it would be prudent for the CEOs of SPREP and SPC to participate as the drill down began with critical issues; so that they could speak for themselves at

how much better the new arrangements would be for improved service delivery.

187) The representative of Australia found the explanation of the Director sensible and proposed that the Forum Secretariat be added to that group, given their Observer status at SOPAC meetings as well as their being a player on the RIF field as well.

188) The Chair agreed that the Forum Secretariat be included in the group of possible participants at the next SCW meeting.

189) The representative of the Marshall Islands expressed the view that this was a SOPAC Council matter at this point, and the Forum Secretariat had played their role and that he would have a problem with including the Forum Secretariat in this group.

190) The representative of Australia sought clarification from the Republic of the Marshall Islands (RMI) representative on the comment just made.

191) The representative of RMI responded that there would be ample opportunity to discuss RIF at the Forum. Let the Forum decide whatever they had to decide on the RIF, let SOPAC decide on their own without the Forum. He disagreed that the Forum was needed to discuss the RIF in the SOPAC Council or in the SOPAC working group.

192) The representative of Australia responded by reminding the Committee again that the reason members were gathered around the table was that 'Our Leaders made a decision at the Leaders' Forum. The (Forum) Secretariat is the Secretariat of our Leaders. It is the Secretariat whose ultimate task it is to implement, or to see that Leaders' decisions are implemented – that is their role.' She was therefore of the view that the Forum Secretariat was one of the organisations from whom this group would benefit if they were present. She expressed that this initiative was about working closer together as a region, with all the regional organisations working closely together; and hence pronounced it a great missed opportunity to leave one of the key ones out.

193) The representative of the Cook Islands reminded the Committee that Council had already established its RIF process and that the Director had the "the option of engaging the Secretary General of the Forum Secretariat (PIFS)," in the CEO discussions. It was a small matter to the Cook Islands whether the PIFS attended the SCW meetings or not. He clarified that the Secretary General had been given the opportunity and did highlight his views at the Tonga meeting, especially in regard to what the Leaders wanted; and these views are recorded in the SOPAC Proceedings of that meeting. While the SOPAC Director had "the option ..." to engage him; the Secretary General's views were self-explanatory – it was now up to the SOPAC Council to come up with an articulation of what it was to do in response; and the Committee achieved the TOR for its work in that regard at the current meeting. This was the representative's view based on looking back at the Council Decision made in Tonga.

194) The Federated States of Micronesia enquired whether Guam being a member gave the US a reason to be a member of this group; and what did it mean to be an Associate Member like the French territories and American

Samoa? If they sat as observers, he wanted to know if they just listened and were not to participate in the discussions.

195) The Chair asked the Director to try to clarify that point.

196) The Director confirmed Guam's full member status, and hence by extension the US could sit at the table as Guam however she clarified that the US Ambassador was requesting observer status as the US, and that was their prerogative. With respect to participation by Associate Members, she clarified that the SCW was an open-ended committee of members. While full member rights differed from associate member rights, in the Committee process which wasn't really a decision-making process until it went to Council; associate members participated as they did in Council meetings, freely. The difference in membership rights emerges at Council business meetings when there was a need to vote; only full members voted, on issues where consensus could not be reached. In the Committee process, they would participate in the same way as full members.

197) The Chair wasn't sure where the meeting had got to with including the PIFS among observers at the SCW meetings.

198) The representative of Fiji pointed out that the Committee had not decided yet whether to include observers at the next SCW meeting. He proposed inclusion of the PIFS in the tentative list to be circulated by the Director for comments from capitals on the matter.

199) The representative of Papua New Guinea enquired after the reporting mechanisms already in place (if any) to the PIFS that SOPAC used to report on its activities.

200) The Director informed the meeting that the main part of reporting in the past was that each CROP agency provided its Annual Report to the Forum Officials Committee (annually). With the new PPAC, and the PIFS coordinating the implementation of the Pacific Plan, agencies now had reporting obligations under the PPAC to report on progress against initiatives for which an agency was responsible; and this reporting was administered by the PIFS as the lead agency. Also, through the CROP executive mechanism (the Secretary General being the permanent Chair); was another forum for reporting on activities, emerging issues, opportunities etc. There did exist a range of mechanisms for interaction with the PIFS.

201) The representative of Papua New Guinea offered (after that clarification) that SOPAC did report to the PIFS in one way or another, and that members could think along those lines to decide whether to include them as Observers in the SCW or not.

202) The Chair ruled that the Committee act on the Fiji suggestion and include them in the tentative list to be circulated by the Director for final approval.

The Record of the Meeting

203) The representative of Australia enquired after what was proposed on the Record of the Meeting, for the purpose of members' reporting on outcomes.

204) The Chair asked the Director to respond to the enquiry.

205) The Director proposed that there would be a summary record of key outcomes against agenda items. She detailed some key outcomes – which included the TOR

under item 5, and the letter to be written to Council members with the tentative list of possible observers at future SCW meetings for approval under the Other Business item. There were no intentions by the Secretariat to transcribe the audio records of discussions.

CLOSING

206) The Chair thanked the Director and having come to the close of the meeting proper thanked everyone, especially appreciating that members had taken time out from their busy schedules to come to the first SCW meeting. He also expressed deep appreciation for the contributions to the discussions as these certainly contributed to the business proceeding quite smoothly; and not as difficult as one might have thought prior to this. The cooperation of members was very much appreciated by the Chair. The Chair also extended his appreciation to the Director and the staff of the Secretariat for all the assistance provided to members and for servicing the SCW meeting; he was sure that was an important factor in the completion of the business of the meeting quite quickly. He promised to keep in touch with members and hoped to see them all at the next SCW meeting.

207) The representative of the Marshall Islands thanked the Chair for his guidance and leadership in facilitating the discussions of members; and he felt they had all contributed sensibly to the business and it was now up to the Director and the other directors of other regional organisations to go on from what the Committee had decided at this meeting. He acknowledged that the Chair has had to travel a long way to come to this Committee meeting and he pledged on behalf of the Suva-based members that they would continue to cooperate in this manner, on this particular matter. He closed with thanking the Director for a well-organised meeting, the lunch and the other refreshments provided for delegates.

208) The Director in her closing remarks promised that aside from the SCW meetings themselves (there would be two more in 2008), she would endeavour to keep members regularly updated. She proposed the creation of an SCW E-mail Group as soon as possible to facilitate communication within the Committee. She gave her absolute undertaking that she would work to the best of her abilities to serve members on this matter and other matters and thanked the Committee for its guidance and advice.

The meeting adjourned 4:12 pm

MINUTES OF THE SECOND SCW MEETING

1) The Chair called the meeting to order at 9:15 am. (Chairing the meeting was Tuvalu's High Commissioner to Fiji, HE Tine Leuelu).

Agenda Item 1 – Welcome and Introduction of Observers

2) The Chair made introductory remarks wherein he welcomed his Committee of the Whole on the RIF (SCW) colleagues; and the invited observers who would be participating at SCW meetings henceforth – representatives of the United States of America, France and the Pacific Islands Forum Secretariat (PIFS). Also welcomed as participating observers were the CEOs of the Secretariat of the Pacific Community (SPC); and the Secretariat of the Pacific Environment Programme (SPREP). As there are implications for both SPC and SPREP in the rationalisation of SOPAC's services and functions, the first meeting of the SCW tasked the Director of SOPAC, to seek Council clearance to invite observers to its future Committee meetings.

3) The meeting was informed that the Chair of the SOPAC Governing Council and the SCW was, at the last minute, prevented from attending this meeting due to national commitments; therefore, according to procedure, Tuvalu as Vice-Chair of Council was tasked with chairing the Second Meeting of the SCW.

4) The Chair then read the Opening Remarks by the Chair of SOPAC (Honourable Tuita, Tonga) outlining the substantive business for the second meeting of the SCW, which was to consider the progress made by the Director of SOPAC with respect to trilateral consultations with the CEOs of SPC and SPREP; expanding on the rationalisation at a glance exercise she introduced at the First SCW Meeting (SCW01); the scoping of cost areas; and other assessments such as the legal implications.

5) Further, the Opening Remarks reminded members that the task immediately ahead was, "through due process", to ensure achievement of "institutional arrangements of excellence in quality and relevancy in an environment of limited resources, increasing demands and rising costs;" and that their ownership of SOPAC demanded that they be accountable to all the people they served. The Chair later registered his "old-fashioned" belief that Council worked for and served "the people of island member countries within [the] global society." His Remarks proposed as "rational and reasonable" and "the most appropriate" approach the "need for firm business plans from SPC and SPREP in order to begin the journey forward." SCW members were also encouraged as shareholders to agree and recommend to the SOPAC Governing Council those new arrangements that would allow for and demonstrate:

- i) improved performance and delivery of services;
- ii) improved timelines;
- iii) improved relevancy to the needs of PICs and especially the SIs;
- iv) that the present programme would be maintained and/or improved and expanded when considered necessary;

- v) that these activities will be met with reasonable cost effectiveness; and
- vi) that performances and services would be of the highest quality and relevancy possible.

6) HE Leuelu concluded that he was pleased to note that the CEOs and senior programme staff of the three biggest regional technical agencies: SPC, SOPAC and SPREP had been able to sit together and have meaningful dialogue; albeit for the rationalisation and absorption of one of them. He pronounced it a "landmark" event; and added that "if there were less silos-style" approaches "there would not have been any reason [for the SCW] to meet, and CROP would have been a success – as recommended in 2004 by the Eminent Persons Group that reviewed the Forum."

7) The participants at the meeting were invited by the Chair to introduce themselves. Represented were the following governments: (in the order introduced) Cook Islands (Keu Mataroa); Tonga (Kelepi Mafi); Tuvalu (Samuelu Laloni); Fiji (Murray Isimeli); Nauru (HE Jarden Kephass); New Zealand (Dimitri Geidelberg); Australia (Judith Robinson, Romaine Kwesius); France (Pascal Dayez-Burgeon); United States of America (Brian Siler), Federated States of Micronesia (HE Samson Pretrick), Republic of the Marshall Islands (HE Mack Kaminaga); and Papua New Guinea (Julie Wapo). The participants from SPC (Jimmie Rodgers), SPREP (Astero Takesy) and PIFS (Edward Vrkic; Stephanie Jones) also introduced themselves.

Agenda Item 2 – Adoption of Agenda

8) The Chair drew attention to the Provisional Agenda provided with the meeting papers and invited comments. There were none and the agenda was adopted.

Agenda Item 3 – Minutes of SCW01

9) The Chair invited the Director of SOPAC to introduce the minutes of the First Meeting of the SCW (SCW01).

10) The Director of SOPAC introduced the item, mentioning the dates and processes associated with getting the minutes accepted by the SCW members that attended the First Meeting. She sought final clearance and approval by the Committee under their Second Meeting of the SCW (SCW02) so that the document might be freely shared with the observers and other stakeholders interested in keeping track of the SOPAC Rationalisation exercise.

11) The Chair sought comments from the participants; and because there were none, he progressed the meeting to Item 4 – Documentation.

Agenda Item 4 – Documentation

12) The Chair introduced the item referring to the restricted site (RIF Page) accessible from the SOPAC Homepage where all the RIF documentation was available. He said that ahead of the Second SCW Meeting (SCW02);

the draft Minutes of the First Meeting; and the Summary Outcomes of the CEO trilateral meetings in April had been distributed. He invited further comments from the Secretariat.

13) The Director (again) sought Committee guidance and agreement on whether it was in order to share all documents as well as access to the RIF Page on the SOPAC website with observers. She felt it would be useful for them and the working committee.

14) The Director also informed the meeting that there would be additional meeting documents circulated during the meeting. She repeated that all past, present and future documentation with respect to the RIF were and would be posted on the RIF Page.

15) Marshall Islands expressed gratitude to the Secretariat staff for the comprehensive documentation prepared; not just for this meeting but for other meetings, further acknowledging the hard work involved in preparing them. He also took the time to thank the Chair (Tuvalu) for being willing to take on the role at short notice, when the Honourable Minister from Tonga could not attend.

16) The Chair saw no more comments forthcoming and progressed to Item 5 – Actions since SCW01.

Agenda Item 5 – Actions since SCW01

17) The Chair introduced the item as outlined in the Annotated Agenda (SCW 2.2).

18) Itemised actions included: the web portal accessible from the SOPAC Homepage that provided all the papers pertaining to the RIF; the first CEO Trilateral Meeting held as anticipated in the margins of the CROP Heads Meeting in Noumea, 16th and 18th April (copy of Summary Outcome document was among meeting papers); the first Programme/Divisional Head trilateral meeting was held during 15th and 16th May; and a consultant had commenced assessment of the legal issues related to SOPAC's dissolution or suspension.

19) Verbal reports would be provided by the Director of SOPAC on the actions. The meeting also heard that the Director-General of SPC had indicated at the CEO trilateral his intention to present on issues he thought relevant to the SCW. Both CEOs (of SPC and SPREP) were present and were invited to comment on issues that may be raised with respect to the outcomes of the various trilateral meetings.

20) The Chair ruled that while the Committee deliberated on the item, the floor was opened to the two CEOs and the Secretariat to make contributions. He invited the Director of the Secretariat to brief the Committee on the items indicated for verbal reports.

21) The Director referred to the tasks enumerated in the Summary Record of the First Meeting of the SCW, paragraph 18, under Agenda Items 8 & 9 that were to be undertaken after SCW01 and she reported against each item:

- i) *hold the first in a series of trilateral discussions with the CEOs of SPC and SPREP – Trilateral meetings between SPC, SPREP and SOPAC were held in the margins of the CROP Heads Meeting in*

Noumea in the middle of April, twice, on the 16th and 18th April. The outcomes document agreed among the three was sent to the Committee before SCW02. She found the meetings constructive; but deferred reporting on some of the tasks they set for themselves to under Item 6.

- ii) *present a more elaborate 'rationalisation at a glance' picture capturing the substance of trilateral discussions that would show the trends emerging in terms of institutional arrangements – A programme trilateral was convened during 15 & 16 May. Further reporting on this elaboration exercise was also deferred to under Item 6.*
- iii) *provide a progress report on the legal assessment; and findings on contractual agreements SOPAC currently has with donors – The legal assessment was commissioned at the end of April. A draft opinion was received the day before SCW02, and the Director was yet to review it and provide comments back to the consultants. She proposed to share a "more finalised version" with the Committee inter-sessionally. The terms of reference was available to Committee members should they desire to see it. She reported that she had yet to look at the finer points of contractual agreements on termination or alternative arrangements. She noted that the number of donors and development partners that SOPAC had contractual agreements with were few; although there were cases where multiple contracts were in existence with the same donor/partner. She recalled that discussions at the SCW01 with respect to managing the contractual agreements had concluded that the actions on contractual agreements should be left to a later date. She suggested that as the process advanced toward realising a roadmap (to be tabled under Item 7), the need to assess contractual arrangements would of necessity arise.*
- iv) *further articulate the preferred institutional arrangements – This would be covered under Item 6; and the three CEOs were ready to clarify progress so far.*
- v) *elaborate on a draft roadmap to implement or achieve the preferred institutional arrangement(s) – The Director intended to make a short presentation on perspectives for the way forward to elicit some discussion; and provide her with some "tight guidance" on the tasks that she would be required to complete before SCW03.*
- vi) *commission BCAs – The Director intended to also cover this under Item 7.*

22) Outside of the items reported on above; the Director also mentioned other actions completed, which included seeking Council members' views on having observers present at the SCW02 meeting (and future SCW meetings). Also circulated to Council were the invitations to SCW02. She again referred to the RIF Page accessible from the SOPAC Homepage which gave members access to "everything", even material pre-dating the RIF review as well

as the new documentation accumulating as a result of the Committee process underway.

23) Before opening the floor for comments and given that much progress had occurred since SCW01; Chair invited the directors of SPREP and SPC to add to the SOPAC report from their perspectives on the progress with respect to the trilaterals.

24) The Director of SPREP re-confirmed the widely-known fact that the SPREP Council has yet to address the issue of Rationalisation (as per para. 19b of the Forum Leaders' Communique, October 2007). He advised that the role that the Executive of SPREP has been playing to date was in facilitating what SPC and SOPAC had already mandated their respective secretariats to move forward on regarding the Rationalisation of SOPAC functions. The SPREP Secretariat has been able to provide information by attending the trilaterals at the CROP level, and sending programme people to delve into programming fit, in the hope that it would help the SCW look at the whole issue of Rationalisation and the larger issue of improving services to member countries of the region. From SPREP's perspective, he was an observer without portfolio given that he had no budget and no instructions for the exercise. He also wished to understand and comprehend the issues and sentiments that were being expressed around the table.

25) The SPC Director General expressed gratitude for the opportunity to share some thoughts; and being invited to join the SCW process; especially as the Rationalisation did involve SPREP and SPC it was very much appreciated that they could sit in, listen and contribute as required. From the SPC perspective it was opportunity to respond to some areas that members of SOPAC may have specific concerns with, and wanted the SPC Secretariat perspective as opposed to the governing body (CRGA) perspective. He confirmed that SPC had received marching orders which were well articulated in RIF para.15 (of the CRGA decisions) as well as on the road map discussions to be heard later under Item 7 of SCW02.

26) Before returning to SOPAC-specific issues he informed the SCW that SPC had been involved in other RIF-related activities with other organisations; the difference being that those were one-to-one relationships – between SPC and the PIFS; between SPC and the Forum Fisheries Agency (FFA); and between SPC and SPBEA. The modality used was more bilateral-type discussions. In the case of '19b' SPC was aligning its modality to the one articulated in the SOPAC Council Decision. Hence SPC was tracking the SOPAC-imposed SCW process and was participating at those times when the SCW required their involvement.

27) The SPC Director-General stressed that RIF was an opportunity for the region, rather than SPC; and he was highlighting this because he had heard in the margins of the RIF process, views that SPC was trying to "swallow everybody up". This was an opportunity to relook at the regional institutional framework and SPC was providing as much information as required at various fora for the decision makers to move the areas forward.

28) Returning to the SOPAC-specific trilaterals, he confirmed that it had been his original intent at the CEO trilateral to prepare a background paper for SCW02, because he had done similarly with SPBEA, FFA and PIFS during consultative meetings. However, as the trilateral discussions began he felt it wiser to continue through that

process rather than present a background paper; because the process underway allowed the programmes at higher management level to look at what the three organisations did. Taking a deeper look at the synergies and the best fits and where the best value could be found; as it was one thing to get a best fit; but quite another to get the best outcome. The best outcome was where the issues of safeguarding both the quality, scope and value of programme delivery comes into the discussions and he was sure that would greatly interest the SCW but the first trilaterals had not got to that point yet. SPC reported the programme trilateral as 'very good'.

29) In the context of the RIF, he reported that SPC had to look internally at its own mechanisms and structures for service delivery. He viewed that neither SPC nor SPREP should take programmes and fit them into existing structures; as some of those may not actually fit well. The service delivery mechanisms should be looked at in the context of the programmes that did transfer across, to see what the best realignment would be to result in best value added within the existing programmes of SPC. SPC had undertaken the process of internal evaluation of its structures because RIF discussions were ongoing with three other agencies on a bilateral basis. The SOPAC-SPC-SPREP discussions coming in later worked well for SPC as it was 'the big one'; hence the current SPC structure may actually be modified further in order to render it more appropriate.

30) The final point by the Director-General was to share generalities – to the extent of delivery of services and being able to monitor impact and outcome, the SPC CRGA in 2005 requested that services be decentralised beyond the current offices in Suva and Noumea. A new office was opened in Pohnpei to cover northern Pacific programmes; and an agreement was about to be signed with Papua New Guinea for an office there, and the Solomon Islands was next. SPC official offices now exist to cover the north Pacific, the south Pacific, the central from Suva, and the west from Papua New Guinea. Consultations were planned with the Cook Islands and French Polynesia in that regard, for the eastern Pacific. Additionally, where SPC had large programme presence, countries had indicated their preference for coordinating offices being opened on-site. There was decentralised presence also in twelve other countries; therefore there was physical presence of SPC programmes in a total of 17 members, critical for keeping the finger on the pulse in the sectors that SPC worked in.

31) The Chair thanked the heads of SPREP and SPC for their perspectives. He was sure it was useful for Committee members before they started commenting on the issues; then opened the floor for other views.

32) The United States of America (US) representative noted SOPAC's willingness to respond positively to their request for Observer status, as reported under Agenda Item 10 (of the SCW01 Summary Record). He said it was a positive move and would add to the discussions going forward.

33) Australia expressed gratitude to the CEOs for their presentations and also to the efforts that had gone into the process in the intervening months. It was very encouraging to see that progress was being made.

34) Marshall Islands also thanked the CEOs for the reports heard so far; and noted how encouraging it was to

know that they were getting together to consider the process of Rationalisation. While appreciative of the early stages of the CEOs meeting; and mentioning the speculation that was rife; and the fact that many things were being said by people who might not be contributing to the process he wanted to know from the CEOs their perspectives with respect to the time frame for the process. He asked for a rough time estimate for when their work would be completed and they would be ready to tell the region and the Leaders when they should be able to wind things up. He apologised if the question was unfair.

35) The Chair invited the three CEOs to respond.

36) SOPAC Director responded that she was hoping to address the issue about timing under Agenda item 7 on the way forward and although it didn't provide exact dates there was a timeline presented that would be achievable if all things stacked up right. She begged the indulgence of the meeting to wait for Item 7.

37) The SPC Director General agreed that Item 7 would be the appropriate place to progress discussion on timelines.

38) Cook Islands thanked the CEOs for work carried out so far in looking at issues raised by the Leaders in 2007. He said that he found the Director-General of SPC's earlier comments encouraging in many ways and looked forward to the discussion under Agenda Item 7. He then noted the fact that the SPREP Council had yet to meet later in 2008 and wondered how long it would take them to gauge the issues for themselves; noting particularly the view expressed that they were deferring to the pathway devised by SOPAC. He said he felt for the Director of SPREP, given that he had not received any instructions. He continued that if SOPAC was anything to go by; then the issue of timeline as raised by the Marshall Islands would have a bearing on the way forward.

39) Fiji joined colleagues from the Cook Islands, Australia and the Marshall Islands in thanking the CEOs for the activities undertaken so far. He echoed the Chair's opening remarks, about the landmark meeting of the three CEOs and commended it. He also welcomed colleagues who had just flown into Suva notwithstanding the bumpy ride from Nadi.

40) The Chair summed up the discussion under this item thus: The Committee noted the landmark meetings which were very much appreciated by members; and most agreed on the importance that these trilateral meetings must continue. From the report of the trilateral meeting, he observed two distinct phases emerging for the whole exercise, which were rationalisation firstly, then secondly, getting into the absorption of the SOPAC activities into SPC and SPREP. It was also noted that while it appeared simple when the exercise started for it seemed to be only a matter of putting something somewhere else; it was becoming apparent however, that certain issues needed to be accounted for. Also that an impediment to SPREP's full engagement in the process was that it was without a Council decision since the meeting of the Leaders decided on the Rationalisation (in 2007); and that another meeting of Leaders (August 2008) would occur before the SPREP Council meeting in September (2008). These were the types of constraints that the Committee needed to take note of.

41) The Chair hoped that once Item 7 was considered, then a clearer timeline would emerge. He called for the morning tea break at this point.

Agenda Item 6 – Rationalisation-Beyond-a-Glance

42) The Chair invited the Secretariat to introduce Item 6 - Rationalisation-Beyond-A-Glance.

43) The SOPAC Director reported that she had hoped that the Independent Facilitator of the First Programme Trilateral, Mr Garry Wiseman of the UNDP Pacific Resource Centre would be available to present a report on the meeting to the SCW02. Unfortunately, the Facilitator was expected to return from annual leave on June 6. She added that she and CEO colleagues hoped that Mr Wiseman would continue to engage as independent facilitator for the further programme trilaterals to ensure continuity in that process; and also that he would be able to attend the third Committee meeting to share his 'independent' view on the programme meetings.

44) At this point, the three CEOs would present verbal reports to the Committee based on feedback from their programme staff.

45) The Director of SOPAC referred to the summary outcomes of the CEO trilateral meetings; as well as the paper on the programme trilateral among the meeting papers. With respect to the outcomes of the First CEO trilaterals; she was thankful to her fellow CEOs for providing more information than she did under Agenda Item 5. She then referred to page 4 (of 8) of the CEO trilateral outcome document, where it summarised in seven points the way forward from their first meetings wherein they had agreed on steps that needed to be taken. Firstly, that they would share all of their respective organisations' documentation on work programmes, budgets, legal agreements, strategic plans, etc. This was actioned immediately; with all documentation uploaded on the RIF Page of the SOPAC website. Secondly, the CEOs of SPREP and SPC were able to still make it to this meeting, although the date had changed from 28 May to 4 June. Thirdly, the first programme trilateral was held in Suva on 15th and 16th May 2008. The paper in the meeting folder summarised the objectives of the programme trilateral and those that participated. She mentioned having had a brief discussion with the Facilitator on the evening of the first day of the two-day meeting and the facilitator had indicated that he had learned a lot from the presentations of the day; and realised the opportunity for those at senior operational level within the three organisations to learn more about their counterparts and the services that their respective organisations were responsible for delivering.

46) She continued, by recalling the Chair's opening remarks about the trilateral meetings at CEO and programme levels being 'landmark' initiatives. She mentioned that at CEO level, their predecessors had met before during several SPC-SPREP-SOPAC Colloquiums, but certainly at programme level, this was the first time that the senior programme officials from the three organisations had met for discussions. She reported on feedback from the SOPAC programme staff who had attended the programme trilateral meeting and that they had been pleased to have been given the opportunity to be able to participate; that it yielded extremely constructive discussions and that it had been held within a very collegial environment. Participating SOPAC colleagues had advised that discussions on the synergies between the organisations had started quite slowly however, as they warmed up discussions were very good and free flowing. She advised that information from the programme trilateral had just recently been received by the

CEOs and although work had begun to elaborate on Rationalisation-Beyond-a-Glance, there was a view shared by participants that much more may have been achieved on progressing the Rationalisation-Beyond-a-Glance picture, if the meeting had been for three days, something the CEOs had not pre-empted. However they did pre-empt the definite need for further trilateral as well as bilateral meetings. A number of outputs were collected at the end of the programme trilateral, for example the presentations on the various programmes and divisions provided good insight into the activities of each organisation. These are posted on the RIF Page of the SOPAC website.

47) The third, fourth and fifth points agreed by the CEOs was in the area of further trilateral meetings by themselves and the programme officials. The sixth agreed action was to jointly commission a costing analysis on the options of Rationalisation. She felt that the sixth and seventh agreed action could usefully be looked at together. She recalled that the SPREP Director had mentioned in his earlier remarks that there certainly would need to be additional resources required; but there was agreement among the three CEOs that it would be more prudent to mount a joint proposal outlining the resources required for them to realise the instructions from their various committees. The joint letter (proposal) still needed work to be done on it; and the three CEOs would be meeting after the SCW02 to refine it; and the intention was to send it to the slightly richer members (Australia and New Zealand); and France.

48) She reminded the Committee that one of the tasks set for her by the SCW01 was to prepare indicative costs and the joint letter she'd been talking about was the proxy for that. She expected to be meeting her counterparts later in the afternoon, to work on the letter and plan further trilateral and bilateral meetings among the three organisations.

49) She also advised the Committee that one of the main difficulties with this exercise was that outside of this process the three organisations had work programmes to deliver and to identify suitable dates where people could all be free to attend meetings was not necessarily easy. The three organisations were commended for being able to work around things so key personnel could be freed up to participate and she thanked her counterparts from SPC and SPREP for being able to send their key programme people to Suva to participate in the May programme trilateral meeting.

50) Further, she mentioned the matrix that was emerging based on the programme trilateral work, and while it had a lot of information in it already, she felt that at this juncture, it would not necessarily be helpful for the Committee, nor for the Secretariat to share what they (CEOs) still consider as a very rough output from the First Programme Trilateral. She hoped that the next meeting (imminent) of the CEOs would be able to agree on a timetable for further meetings for programme people as well as at CEO level, after which the institutional arrangements that are emerging may be shared usefully with the Committee.

51) Chair opened the floor to the CEOs of SPREP and SPC to add to the SOPAC Director's account above.

52) The Director-General of SPC confirmed the SOPAC Director's report on the respective back-to-office feedbacks from programme staff that participated in the first programme trilateral. From his feedback it was reported to be cordial, very useful and as pointed out by the SOPAC Director; it

was the first of its kind at a senior programme management level. He added that for SPC (and maybe for SPREP) they tended to focus their presentations to match the three main areas of SOPAC's programmes. He prefaced the remark by observing that SPC was very broad and it operated programmes outside SOPAC's main areas of implementation; and had taken care to present those programmes that complemented and had synergies with the SOPAC work. They had also presented programmes that they called "transports" or common lines that add value regardless of what programme was being delivered, for example ICT (or the Digital Strategy), which is a carrier for any programme. What had been achieved in the two days of the programme trilateral was to inform each other on what each did; and begin looking at where the synergies might be.

53) The Director-General continued that he thought what might interest the Committee was the next step, which was the packaging. Having done an assessment, what within SOPAC's work might be better delivered through the SPREP programme, because there were synergies and a modality there; and what for SPC. He didn't think they (the programme people) had reached that point; hence that could probably be the focus for their next discussions.

54) He continued, that when it came to jointly commissioning a financial analysis; that the best time to do that was when there was a number of options, so that each option could be costed out and its legal implications assessed. He reported that he was required to report back to the CRGA meeting (13-16 October) an assessment of the financial implications of the possible programme transfers from SOPAC into SPC, and he said he could not do that assessment until there was a fairly good idea what was transferring to SPC and what was going to SPREP; and likewise for SPREP because he was sure that the question the United States asked of SPC, would be asked of SPREP in September (when the SPREP Council met) due to their common membership. To an extent, if SPC did that assessment, it would assist SPREP because then they did not have to wait to be asked in September to undertake the same assessment and present it to its Council the following year. What he was driving at was that, if by the third SCW Meeting (SCW03) in July the results from the working groups and the CEO meetings advanced a number of options that were realistic, then SPC could start the process of doing the joint financial analysis from after July onward. He mentioned that the Committee would obviously want to put a progress report together for Forum Leaders when they next met as identified in the agenda. He was sure that if by SCW03 there were some options to cost; and in later discussions on the roadmap; some sort of timeline, then he felt this was good progress to report not just to the SOPAC Council, but also as an early update to the Forum Leaders' meeting in August.

55) He apologised if he was confusing issues at this point, and so he quickly summarised his main points: the trilaterals had very good outcome but not advanced enough for the (re)packaging of transferring programmes to be emerging. In terms of the next steps, costing could probably only happen when there were options. There was a legal study being commissioned by SOPAC and he thought it was probably going to be good enough for him to draw from in reporting to the CRGA meeting in October. He pronounced himself happy with the process; but mentioned that where the analyses involved staff travelling the cost factor was important, especially in the case of SPREP hence the CEOs intention to submit a joint proposal for consideration later for additional resource inputs into the three agencies to facilitate

advancing the assessments and reporting required for the initiative.

56) The Director of SPREP recorded that his counterpart CEOs had summarised adequately the mood of the first meeting of the programme people. He went on to observe that it was fair to say that crosscutting issues that bind all the regional organisations have been addressed through what are called CROP working groups. These have been informal, but nevertheless effective and they only focussed on the crosscutting issues. From the SPREP perspective; this was the first time that the real fit in the programming was examined for the three organisations. The programme trilateral was in many ways educational and informative not only at programme level; but he said it should be taken down to the actual people that worked in the field to validate findings. This was part of the difficulty of walking into the examination of programmes; in that it was not so much as synergy but also from the scientific viewpoint – questioning whether you add only cost but no value and no delivery. In other words, programming should not be looked at as an isolated factor and it was his view that it should be examined in a comprehensive manner. The SPC Secretary-General had stated that the costs and legal issues needed assessing; then one also needed to look at the cost-benefit analysis; the efficiency co-efficients, that is, what would be gained from doing this? What would be lost in the process? From the SPREP perspective, he thought they were fortunate in that while the SPREP Council had not made any decision on the overall issue of Rationalisation, hopefully its decision would be better informed than the previous councils of SOPAC and SPC. By then (the time of the SPREP Council meeting) much of the costing would have become clearer; SOPAC was about to emerge with a legal analysis, which should better inform those in the SCW that were also represented on the SPREP Council.

57) He understood that it was only natural for the SCW to want to see some timeframe for when the exercise would come up with conclusions for the best options. From the SPREP perspective, this would actually be very premature, as CEO to speculate, and place some definitive suggestions on the form and therefore the cost and how involved the legal issues might be; for instance the timeframe for overcoming legal issues. He was of the view that having the programme people together was probably the most rational way to approach this as only then would formative options as to which would be not only rational but also acceptable by the SCW and the three councils. He continued that this would also increase the net results to the recipient, member countries – this was after all what this was all about. He concluded that SPREP was very happy with progress, and went far better than they had anticipated being able to sit with the others and talk things out rationally, without a proper terms of reference.

58) The Chair thanked the three CEOs for their presentations under the item and opened the floor for comments.

59) Marshall Islands found it very encouraging to note how the three CEOs had carried on with the Rationalisation, and the spirit of progressing the process with the three organisations getting together trying to see the way forward. As a recipient of the services and programmes he thought this might be the beginning of trying to clarify a fundamental concern that had so far not been adequately addressed, which was demonstrating “improved delivery of services”. He suggested that right from the outset a lot of members had

expressed their main concern as being whether the delivery of services was going to be improved. He was suggesting that the programme trilateral was beginning to address this fundamental concern. He wondered whether it might be useful, as a recipient, to join the programme trilateral as an observer; not only for members of SOPAC, but of SPC as well as SPREP. He was really interested in the idea and observed that ultimately it was the members who received the services.

60) The Chair opened the floor to other members before the three CEOs to respond to the point raised by the Republic of the Marshall Islands.

61) Cook Islands again thanked the CEOs for the work in finding ways to facilitate the Leaders’ Decision. He referred to a number of issues raised by SPREP and SPC. He was of the view that the core of this process would have a bearing on Small Island States (SISs); and for many of them the delivery of the programmes was a crucial issue. How SOPAC was placed in the outcome of the exercise would also have an implication on mobilisation of services, staffing, from where they’re placed, citing SPREP’s location in Samoa; and SPC headquartered in New Caledonia. Hence at this point the delegate wanted to highlight what the Minister of Foreign Affairs in Fiji had stated in opening remarks at the SOPAC Session in Tonga (2007) – that he wished to keep SOPAC in Fiji, similarly his counterpart in trying to keep SPREP in Samoa. He had been examining the issue of service delivery from elsewhere other than Fiji – Fiji being a hub for many delivery mechanisms of programmes. He echoed the words used by the SPREP Director when he brought up the matter of efficiency of delivery of the programmes; and that it would also take some time for the legal and cost implications to be sorted out. He referred to the SCW01 presentation by the Director of SOPAC that highlighted the key donors, and the EU having the largest component of funds injected into the programmes at SOPAC. As a representative of the Cook Islands and having worked with SOPAC in the programme areas, his thoughts were that the issue of service delivery would hang in there for some time until a mechanism was fully understood and outlined for our Leaders. Another view he was looking at, evolved around the Communiqué, and maybe the rehashing of the language for that particular Communiqué could also highlight a few areas we’ve been concerned about, especially as he was expecting some programmes through SOPAC’s expert assistance. He was not implying that the other institutes could not deliver, but rather along the lines of ensuring that the outcome kept the SOPAC services at the level of appropriate priority for SISs, and all PICs around the table, especially those in the SOPAC Council. The delivery of services was the area of primary concern to member states that attended the SOPAC Council meeting in Tonga (2007).

62) Papua New Guinea thanked the three CEOs for their inputs into providing the general picture to the members of what had been discussed so far among them. She appreciated the input from both SPC and SPREP on some of the concerns on technical issues and institutional arrangement options. As a member she would also welcome if they could express their ‘honest’ feeling about this process so that Leaders should be aware of their opinions on delivering services as an organisation. When Leaders met, they threw out the options, leaving the three CEOs to devise how they would carry out the process. There had been directions on options, and hence she expressed that the task was a great one for the three organisations and they would

have to take some time. If the three CEOs thought the timing was too early, she would appreciate their honest views about it. She was certain that they could get to the bottom of the technical programmes, and the scientific side of things in time. She referred to a point made by the Cook Islands, with respect to the European Union being the donor that provided the most funding toward the SOPAC programmes; and ventured that they would be concerned about the inadequate timeframes. She went on to suggest that the European Union be invited to attend the next SCW meeting so their views on the progress and process might be heard. From what the CEOs had presented so far, she said members could be excused for concluding that there might be some undue rushing in the process of examining the technicalities of all the programmes that each of the organisations had been undertaking and the process itself. She stressed again that timing probably needed reconsideration; and repeated what Marshall Islands had said about most of the SISs being worried about delivery of services. To her mind, the programmes had to be properly and thoroughly assessed before the Committee could draw any conclusions from findings and put them forward. She concluded that the Leaders would expect some progress report with respect to the process at their August (2008) meeting and she strongly urged the CEOs to present honest opinions about the progress.

63) Tonga echoed his fellow Committee members in thanking the three CEOs for their informative presentations. He agreed with Papua New Guinea's view regarding the time frame and urged the three CEOs to look at it very seriously. He said that if the three CEOs felt that there was not enough time then they should report it to the Leaders; and he was against rushing through the process. He drew attention to the SPREP review team that he met with in Tonga recently, which identified certain shortfalls in services and some good progress. At this point there are shortfalls identified in SPREP's delivery mechanisms; hence it was extremely important for the three CEOs to look at the Rationalisation very seriously and he was against rushing this particular process through at this time and come back regretful a few years later. Tonga wanted an outcome that would be appreciated by members later in that it was the best for these three organisations, as he was appreciative of their service to the region. He concluded that he disagreed with putting forward a time frame to Leaders because at this time it wasn't clear whether the progress in the process would fit in the time frame.

64) Cook Islands building on what Papua New Guinea and Tonga had established, concurred with the views expressed on the extensiveness of the technical aspects of the programmes and needing special attention in particular areas. Mindful of the legal and contractual arrangement issues raised by all the CEOs, he recalled one raised by SPREP's Director on mandates – in that organisations all had different mandates that would have implications on the delivery of programmes. He agreed that programmes could be absorbed without legal boundaries, but that right at the top level was where the legality issues would arise. SPREP was pointed out as having the environmental mandate, SPC its own broad development role and SOPAC a largely non-living resources mandate. He raised the issue because of its implication on timing; and going beyond what the SOPAC Council would establish in October 2008. He read in the CEOs' meeting report that SPREP had its own legal adviser who would be able to complete their legal assessment. He understood that the legal position on all the three entities was quite large and the issue of the charter and its

establishment would also evolve around legal discussions. He continued in the same vein as Papua New Guinea and Tonga on the donors (e.g. EU, Australia, New Zealand, etc.) and the particular programmes they supported in that they had arrangements with SOPAC that would also need unknitting. The cost-benefit analysis was thought to be a major undertaking. Breaking down any programme implementation area whether in OIP, CRP or CLP (using the Council-approved; and country-requested approach) would have implications on the delivery of services. For the purpose of programmes coming together with other entities and staffing issues; he noted that the CEOs did raise it in their talks – in that SOPAC Staff were in limbo at the moment. He concluded that this ultimately involved people – people who had participated in delivering many services to members – and that at the end when these were absorbed with the programmes into other entities, they are lives, livelihoods and futures that are being played around with in this process.

65) Australia addressed a few of the comments made so far on the item. Firstly, on the issue of timing, she pointed out that in hearing what the CEOs had reported she had not heard in their comments a concern about timing. The point made by SPREP with respect to their Council having not met was taken as read; and she confirmed hearing that a legal opinion had been sought; and that a legal opinion (though yet to be analysed) had been received and that this was progress. She continued that she also heard that for costings to be undertaken, there would need to be some options and there was also the encouraging news that with the meeting at the managerial level there was quite good progress being made in coming up with some options. She did not hear the CEOs saying to get some clear idea of where this might be going by the SOPAC Council meeting and indeed probably before the Leaders' meeting (although that was getting closer). She had not heard any of the CEOs say that that was an impossibility; hence she expressed puzzlement about the over-emphasis on timing that was being expressed around the table. She repeated something she had said before (probably at another SOPAC meeting) that there are those that would sit around and talk and in spending so much time talking ensure that nothing happened. Her worry and concern was that she could see progress, with the meetings of the CEOs she saw progress and a will to move ahead – but if there was sitting and constant vocalising of worry about the detail that Council had asked the CEOs to process on its behalf, which they had done well enough, then there was a mismatch.

66) Australia commented on a couple more points that were made, for example on staff morale. This was tremendously important, and again the point had been made at meetings before. She agreed that it was people that were being dealt with – people who needed to know some answers; and the more the process didn't forge ahead to come up with answers the more that staff morale would be corroded – even starting to look for other options because of that lack of certainty. She stated that one thing that really did upset the morale of most of people was a lack of certainty about where their jobs would go; hence this was one of the reasons the process needed to continue with good will and intent so it be brought to a close. On this theme she concluded that instead of worrying too much about the timing, that members just push ahead and do as much as could be done as it had been laid out given that the CEOs never indicated that it was an impossible task.

67) Australia went on to the matter of location as expressed in earlier views. She reminded the meeting that there was never at any time during the RIF process any mention of moving the location of any of the organisations. Members were referred to the [RIF] documents, because to her understanding there was never any talk anywhere of intentions to move the location of any of the organisations. She strongly urged her colleagues to put that issue to rest, because talk of it caused unreal concerns in the whole process. She asked to be forgiven for being rather frank; but that sometimes there was call for frankness in these discussions.

68) In terms of process Australia could support one that was moving ahead and achieving the milestones as had been reported by the CEOs, and they were very comfortable to keep on supporting it but she had to say as a donor that she could not keep supporting a process that was leading nowhere. As a Pacific group, they simply couldn't keep spending their resources, members' time, her time, the travel costs, and all the rest of it, just simply for talking and not for moving ahead to achieving a result. She made a plea that a goal be maintained and granted that it should not be so rushed that something absolutely precipitous happened, but she repeated that the CEOs had given the Committee the indication that what the SCW laid out at its first meeting was doable; hence she called for optimism about that and to set a target for achieving it.

69) New Zealand thanked the Chair for stepping in to chair the SCW02 and the CEOs and the senior staff of the organisations for having done some really useful work and for attending to present to the Committee. He associated his remarks with the comments just expressed by Australia. In terms of timing, New Zealand didn't disagree with the comments from other colleagues around the table about "not rushing". Rushing implied moving unreasonably (unthinkingly) quickly and not doing a proper job; he certainly would not suggest that. At the same time; as reflected in the comments by Australia the progress need not go any slower than was required by the task that was before the Committee. As trustees of the three organisations involved in this exercise the Committee had a responsibility to ensure that the work continued at a pace that best met everyone's needs. There were risks in going too slowly – staff morale and uncertainty being examples. As an officer of a donor agency he suggested that the greater risk in terms of donor funding was going too slowly and leaving a longer period of uncertainty rather than the certainty that allowed donor funding to continue to be channelled and new funding arrangements entered into. Similarly, in terms of planning for the three organisations – in order to do a proper planning process that would help with service delivery to members, there was a need to know where everyone stood and what the final situation would be. Likewise, in terms of realising the benefits from the synergies, the slower we take it, the longer the delay before benefits could be realised.

70) On the question of legal requirements, New Zealand very much agreed that the membership needed to do what was required to meet all the legal requirements and the analysis that was currently underway was of course going to be extremely useful. He wanted to add to the discussion on the legal issue, by suggesting that the legal arrangements that the Committee would come to were there to serve member interests – hence members should not be slaves to process and place the cart before the horse. He concluded with a comment on the issue of 'mandate' – and he was not disagreeing with the Cook Islands' view. He added a note of

caution that 'mandate' had become a rather misused and abused term in the Pacific regional context (this was reflected in the Tony Hughes report). It was sometimes used as an excuse not to do something that needed to be done "because this isn't our mandate", and similarly it was used as an overly defensive term to fend off perceived encroachment upon one's territory. He encouraged the proper use rather than abuse of the term 'mandate'.

71) France firstly apologised in advance (for any misuse) as English was not his national language and expressed appreciation at being invited to attend the Committee meeting. He said, that in a manner of speaking, he was also representing French territories and the European Union (although 26 other members were not present), with respect to donors. When speaking of donors; he submitted that it was very important for the process to get the matching institution and the visibility of the thing. Europe being an external donor, its countries would not know the Pacific Ocean as well as its members know it. What is more and very important for the European Union is to have more visibility – to know exactly where the money goes, where they can support; and therefore the process that was underway was very important. He went on to support the Australian view that having the process ongoing was very important in terms of attractiveness – Europe was supporting many programmes everywhere in the world and if it were very clear where the support was going, this was better and more attractive. He expressed an "external point of view" that the process that was underway was very constructive and promising and it would be bad to slow it down and not achieve the goals that had been decided by the political leaders.

72) Tuvalu joined other members in appreciating the work done by the three CEOs; and particularly commending the programme trilateral as the most practical way of progressing the Rationalisation. Having said that, he wanted to contribute to the discussion about the timing of the process. Mindful of the comments and the need to progress as directed by the Leaders, Tuvalu did not want to suggest a speed at which this process should proceed. Tuvalu's view is that this process should be carried out at a pace that was comfortable to member countries. Tuvalu, like similar SISs had very weak national capacity to carry out the technical activities that are associated with the work programmes of SOPAC; hence it was very important that the speed at which the Rationalisation process occurred accounted for the [lack of] in-country capacity. He was somewhat supportive of the comments by Papua New Guinea and Tonga, although he was not suggesting slowing down or speeding up the pace – he preferred a pace that island countries were comfortable with given that these were the member countries that were direct beneficiaries of these programmes and particularly noting their capacities at the national level.

73) Cook Islands thanked his fellow colleagues for responses to some of the points expressed earlier on. With respect to the location issue (the location of the entity and the location of the programmes); he was comforted that Australia's comments meant that the programmes remained in Fiji. He clarified his earlier point citing an example whereby the Ocean and Islands Programme if relocated, because of the exercise, then mobilisation of staff and equipment from another location would definitely have cost implications. On the issue of timing, he still felt it was crucial given that the process was waiting on SPREP's Council to meet on the Rationalisation issue in September. His view was that if the SCW02 (this meeting) was anything to go by,

then there would be an associated timeline from SPREP; however, he did note in the meeting papers that people were working on how absorbing the programmes would impact the countries. He went on to highlight an issue he didn't like to hear, especially at a Council meeting (or any other meeting) and that was the issue of being a donor and at the same time making a comment as a member. He felt this to be unfair, and could be seen to be pushing something as a donor – something that was being discussed as a Committee of the Whole SOPAC Council. He asked that his member colleagues refrain from using that again because it could have a different approach to his own thinking at this point. As a SIS with not much of an economy to assist with the process; but that if he had then he would do so. Hence while acknowledging that there were donor countries sitting at the table that put forward funding of services into the region to assist the SISs and PICs; and while appreciative of what that was about in the Pacific he felt that as mandated charter members of respective councils that each should operate accordingly. If it was the view of the member to table what had been tabled earlier, then it was his to call it 'unfair' to put on the donor hat and address him as a fellow Council member. Cook Islands totally agreed with the views tabled on the timing, staffing and location; however what he had received from his New Zealand counterpart in Tonga was that it was healthy to talk and that it added to the discussion, which became fruitful in the end. At this point he acknowledged an approved TOR and that the Committee was now progressing toward a roadmap.

74) Tonga supported the view expressed by the Cook Islands; with regard to the comments made by Australia and New Zealand as donors. He felt uneasy about those comments, because members were gathered to discuss the progress of this Committee and the future of these three organisations. He thought it was neither good nor professional to offer donor funding so that the issue progressed according to what the donor preferred. "We are here to serve the Pacific island nations", and if these members at the table think that this progress, with the expertise of the CEOs around, came to a time or stage in their investigation that they think the time was a constraint, then he would like them to say so. Tonga definitely agreed at this point that progress was being made; but when this got to the final stage and the CEOs felt the need for more time, then he wanted to be told about it.

75) Fiji thanked the previous speakers for some very valuable contributions and registered Fiji's 'profound appreciation' to the CEOs of the three organisations for moving positively ahead with what was mandated for doing at SCW01. Fiji noted the very positive progress as summarised by each CEO's presentation; and looked forward to continued progress along the same lines. He reflected that back in Tonga the spirit surrounding the Council decision and outcomes of this particular issue was to take it forward by taking ownership of the direction set by Council; and to find the best way forward. Considerations of timing and such issues were a product of finding the best way forward. In recognition of the Cook Islands and Australian comments on location that had referred to remarks made by the Fiji Minister in Tonga; he echoed the sentiments of the Cook Islands at being comforted that the relocation of services away from Fiji was never an issue. Fiji's position on the location matter was very clear. He went on to suggest that the retention of the location of SOPAC was more than just the geographical site of SOPAC; but was also about brand name – of SOPAC being 'SOPAC'.

76) Fiji continued that he noted a common thread from the various contributions tabled so far; which was the importance of continuity in the delivery of services as currently provided by SOPAC in its current form and the risks involved in the whole process of Rationalisation; the latter point touched on briefly by the Director of SPREP when he highlighted "not only identifying where we might improve but also being conscious of what might be lost" in the process of Rationalisation. Fiji was heartened by the fact that everybody recognised the significant step taken in the trilateral gatherings of CEOs and programme managers; and that these had been described as "landmark"; although it caused him some puzzlement that this level of dialogue among agencies had not occurred before. He attributed this to the direct ownership Council had taken on the decision by the Leaders; and taking a systematic approach in finding out the best way to improve service delivery through Rationalisation.

77) Fiji stated that the importance of the services currently mandated to SOPAC could not be understated, describing one of a number of very important programmes being jointly carried out with SOPAC as being in the extended continental shelf work, submissions deadline for the first quarter in 2009. The work however extended well beyond the submission of the Fiji claim to UNCLOS; Fiji, as one of the larger beneficiary countries, viewed it as essential that services be improved from what they are at the moment. He appreciated that certain neighbouring member countries might not have the level of capacity that Fiji has in the geosciences – yet SOPAC is viewed by Fiji to be the extension of that domestic capability and it was heavily relied upon. The way small island member states viewed SOPAC should be understandable, and hence their view of the risks involved should the process be taken at a pace that would seem to them 'hurried'. Fiji also totally understood the Australian and New Zealand views in progressing this as practically as possible at a reasonable pace; as long as this pace left no stone unturned in the Committee's consideration of the best options and synergies that the three CEOs were advancing with.

78) Fiji went on to the issue of staff morale (or the movement of staff in and out of an organisation like SOPAC); he was not exactly sure about the situation on the ground; but that in his dealings with them he didn't perceive any panic and thought that services continued to be delivered with the same degree of efficiency and effectiveness this year as it was in previous years. He thought the movement of staff was a natural part of any technical organisation like SOPAC; and that it was not an issue that should be overemphasised at this point, unless members by constantly raising it as an issue make it so.

79) Fiji appreciated that there was an element of risk with respect to donor funding; and their view was that these risks were double-edged in that there was risk in moving too slow; but the flipside of that was moving ahead too rapidly to meet timelines with a potential of losing or harming service delivery in the long run and he cautioned a balance in that respect. Fiji continued to seek the understanding of generous donors to the special concerns of the members of the SOPAC. He concluded by commending all the members around the table for the frankness in the exchanging of views under this particular item and he hoped this would prevail throughout and he agreed with the Australian view that it was the only way to progress this positively.

80) New Zealand apologised for any offence that might have been caused by his earlier remarks; and that none had been intended. He thought that he probably had not expressed himself very well in the point that he was making. He explained that he made reference to donors in a very specific capacity and that it was never an intention to try to push anything through; or to suggest that somehow donors should be calling the shots in this exercise. The specific point that he was trying to make was in reference to comments made by colleagues around the table about the potential difficulties for donor funding in moving quickly through this process, what he had suggested (and also raised by Fiji) was that in moving too slowly there were risks to donor funding. He hoped that explanation undid some of the offence caused by his not expressing himself well enough the first time around.

81) The Chair ruled that the agenda item had been discussed enough and he summed his general sense of the views expressed thus – that the Committee appreciated the work done by the three CEOs; and the Committee also appreciated the discussion among the senior programme personnel, which was extremely important given the technicalities of their work programmes, as they were the ones implementing them. Also, from the general comments he observed that there was common ground in that the Committee of the Whole would be very much guided by the next consultations among the three agencies and that they would be coming up with more technical and practical options to inform more focussed discussions on progressing the Rationalisation of SOPAC's functions. He also noted that the concerns raised by colleagues around the table were valid and natural reactions that needed to be aired as well for the three agencies to bear in mind on how they work on the options and hopefully discussions would be more focussed in the Committee meeting when the reports are received from the three agencies.

82) At a signal from the Director-General, he allowed SPC to address the meeting again before disposing of the agenda item.

83) The Director-General of SPC apologised for wishing to take the floor again; but he felt that some of the comments that were raised did impact what SPC did and thought it appropriate to dispel cloudy areas on behalf of SPC to the SCW. He didn't have any comments on the Marshall Islands request for observership (he thought the Committee didn't need advice on it); and went on to address some five points raised by the Cook Islands – How would SOPAC programmes focus on SIS and how would these be impacted if there were shifts to either SPC or SPREP? – SPC reportedly did have a small island focus and it did have small island programmes; and there was actually a member of the executive that had taken the lead on SISs. The SPC focus on small islands was such that country strategies had been developed. Five-year programmes were in place across everything that SPC did for each small island state (being the first group that SPC focussed on) – Cook Islands, Tuvalu, Marshall Islands, Kiribati, Nauru – these were linked to national development strategies and plans. He stated that all CROP agencies did have a small island focus; and regardless of what happened SPC's efforts would be in enhancing rather than minimising, and he thought the same would apply to SPREP. On location there was no issue with SPC; and in fact if SPREP were to take on many of the SOPAC programmes, then he recommended that SPREP did what SPC did, which was to open offices in member countries – pointing out that the SPC office in Suva was

larger than SOPAC with 120 staff serving the region from their base in Fiji, it was also larger than the Forum Secretariat. There was also an office in Micronesia (Pohnpei).

84) SPC's country focus was very important; and the Director-General advised that for SPREP, it would be very important for it to secure a Fiji office. On the effect on funding agencies, he commented that for SPC, being the most decentralised agency, funding has never been an issue. SPC was headquartered out of Noumea; the delivery of its programmes was either through its Suva office or the Pohnpei office; or from the country office. In Agriculture, SPC operated seventeen budget lines, one per country; and he assured that it was not an issue for SPC and it allowed it to reach out even further. His view was that if one got the mechanisms right, the funding would never really be an issue. In terms of funding size; the SPC annual budget in Fiji dollar terms was \$130 million, managed in the decentralised mode. Programme managers, deputy directors, directors actually handled operations and he didn't see donor funding security as an issue for SPC. On the matter of impact of isolation of programmes – what SPC had discovered through decentralising was that it cut both ways – where there was a very small programme presence at the country level, there was the tendency of being isolated and the person needing more support; but where there was a mechanism of decentralisation, the support both in additional personnel and other services was even more guaranteed with a stronger focus on that area. For example, the Papua New Guinea office currently had a staff of six, in health and in agriculture. These were supported by the Suva and Noumea programmes; which was much better than if there were no staff there and that we were working directly with countries that requested assistance – as mentioned earlier, it cut both ways. The fifth point was on mandate – and he stated that from the start, the Canberra Agreement for SPC gave it, apart from politics, to do everything under the sun, which in fact couldn't be done but that SPC's mandate was that wide! Hence when SPREP was established as the environmental agency, the environmental mandate of SPC still sat there. Likewise, when SPBEA moved away from SPC and took over the education quality assurance, that mandate remained in SPC as member countries never did get rid of it. Hence when it came to mandate issues, for SPC a legal assessment on mandate was not really useful or necessary for that matter; but that rather they focussed on how best to take forward the implementation of the various programmes, so that service delivery became the focus regardless of who did it. The current assessment SPC was focussing on was in the areas of the best fits. He also informed that SPC did 3-yearly external evaluation of all programmes, and this involved countries. Countries therefore gave feedback on what they thought was not working, where the focus should be; what it was that SPC should get out of; what it should get into ... and that was determined by the membership and not directed by the Secretariat. It was a mechanism that allowed SPC to interact with the countries – if they thought SPC was not doing well in a particular area they tell them, but through the formal review process that was built into their system.

85) The Director-General said that the timing issue was 'quite crucial' for SPC; and that this would be addressed in full under agenda item (7 – Roadmap for a Way Forward). From the SPC (within CROP) perspective, he expressed that they could also enter a period of fatigue. The Rationalisation process for the individual governing councils comes in as annual events. As managers of SPC, these have been continuous since 2004, and there would come a point in time

to say, “when will this all end?” When would we actually just get on and focus on what organisations should be doing, instead of continuing with the process for another three or four years. From SPC’s perspective; and accounting for the fact the SPREP hadn’t yet met on the matter; SPC didn’t really want to be talking about this for another two years. He was thinking about what he would be saying to his council by 2009; this year being in the middle of the process. In 2009, at the ministerial level conference, the SPC Council would need to make a decision on whether it continued to talk or get on with work programme implementation. He was putting it from the other perspective; that since 2004 SPC had been working on the various areas (of the RIF). He concluded by echoing a comment from Fiji, which he thought was crucial and had already shared with his counterparts at various times since they started to consult; which was – Why had these types of consultations not happened before? His only comment to that observation was: If CROP agencies had done this type of consultations ten years ago, then Tony Hughes’ report would have been different. He wasn’t proud of this record; when it took a review to tell him as a CROP head to talk to the others. This was both CROP head as well as governing councils that tended to look (as an organisation) only on a vertical front, rather than looking at their role as facilitating regional cooperation and service. Looking through a useful machine called a “retroscope” – if this type of programme collaboration had been done eight-ten years ago; the review report would have been very good, with a “get on with more of the same” rather than “you need to rationalise”. There was a need to learn from the whole Rationalisation exercise; and what was being done through the programme trilaterals was actually setting a foundation for how to do things better in the future.

86) The Chair thanked the Director-General, particularly for stressing the importance of the CROP heads needing to talk more to each other more. He concluded that the item was covered, and that a lot of issues raised were related to other items still to come on the agenda. He moved the meeting to next item.

Agenda Item 7 – Roadmap for a Way Forward

87) The Chair introduced the item by referring to the annotated agenda: The Committee had requested the Director to prepare a road map for a way forward between this Committee meeting (SCW02) and the next (SCW03). In anticipation of this task and as a result of consideration of initial outcomes of the first round of trilateral meetings, the Director would be making a presentation on her proposal for the way forward.

88) Marshall Islands reminded the Chair that he was still waiting [for a resolution] on his request for members to sit in as observers at programme managers’ trilateral meetings.

89) The Chair apologised saying there were two questions raised to members and the three CEOs – one was by the Marshall Islands on being able to join the trilateral meetings; and the other was raised by Papua New Guinea on the EU being invited to SCW. He sought quick views from around the table; especially from the three agencies.

90) Marshall Islands clarified that it was he that wanted to sit in; and wasn’t out to compel other members to attend as well. One of his biggest fears as a recipient of the (SOPAC) programmes was having to wake one morning and find that

the services were gone. He was interested in observing the programme managers’ progress.

91) The Chair acknowledged the Marshall Islands’ clarification and suggested that the [loud] silence from his colleagues was actually consent, and that there were no objections to his entry into programme trilaterals. He suggested that the three agencies circulate the dates of any future meetings of their programme people, and where they’re going to meet so that those around the table might know and attend if they were free.

92) The Chair enquired whether there were also no objections to inviting the EU to the next SCW meeting; or was the delegate from France confident enough to represent them all? He pointed out that there was EU representation in Fiji; and if there were no objections, then they could just be invited next time.

93) The Director of SOPAC agreed that if the Committee had no objections, then for the third meeting the Secretariat would certainly send an invitation to the EU. She reminded the meeting that she had written after the SCW01 to seek the views of Council members with respect to observers; and expressed her willingness to follow the same course and write to Council members with respect to inviting donors to observe at Committee meetings.

94) The SPREP Director said it was the privilege of members to observe the CEO meetings. He did want to point out that the decision was the members’. At the end of the day the CEOs were going to be accountable to members, with recommendations being tabled before members – therefore members would not wake up one day and find that the deed was done – it would be members that would decide. Secondly, he observed from the discussions already had that some members did not actually believe that progress was being made – or that there was insincerity in what was being done. Speaking for himself, the SPREP Director explained that the Rationalisation was not an easy exercise. He wanted to be certain that at the end of the day he would be tabling the best advice before members that he knew; and that advice he revealed rested with his professional staff; and not with himself. He thought people needed to be upfront in confirming that there was no unnecessary dragging of feet, and that the necessary time was being taken to produce the best possible result based on the best information, analysis and options that the agencies’ professional staff can help the CEOs deliver to members.

95) The Director of SOPAC presented her paper outlining a Roadmap for a Way Forward, before lunch. Paper copies of the presentation and the ‘non-paper’ were distributed at the meeting; and digital copies were placed on the RIF Page of the SOPAC website after the meeting.

96) The main points of what the Director of SOPAC presented follows:

- (a) Underpinning the first of the CEO and programme trilateral meetings of the three organisations through their consultative process on paragraph 19b, the guiding principles articulated in the CRGA and SOPAC Governing Council decisions was suggested to continue to guide on the way forward.

- (b) SOPAC Council had decided to take ownership and leadership of the RIF process with regard to the Rationalisation, and in response to paragraph 19b of the Leaders' Communiqué (2007).
- (c) Wherever components of the current SOPAC work programme were eventually to be placed institutionally, that governing bodies were assured that service support to island members currently provided through SOPAC would continue and, more importantly, would improve.
- (d) SOPAC's conceptual framework advocated use of the multi-disciplinary, integrated approach in terms of delivering its applied scientific and technical solutions to members; unified with policy and strategy formulations based on some of the social science work that was becoming an important part of SOPAC's work programme. While not unique the approach was critical and recognition of it essential when moving through the Rationalisation-absorption process and into the new institutional arrangements.
- (e) Encouraged by the interventions of members following presentations by SPC, SOPAC and SPREP on the progress made with respect to the trilateral discussions; and acceptance that parties had not arrived yet at institutional arrangement options to be further examined.
- (f) Reminded the Committee about options that SCW01 had deemed sensible: Option 2 – all of SOPAC's services and functions into SPC; Option 3 – all of SOPAC's services and functions into SPREP; and Option 4 – the bulk of SOPAC's work programme into either/or SPREP/SPC with the residual of the work programme into the other.
- (g) SOPAC presentations at the programme trilateral emphasised the SOPAC Council concern about maintaining the integrity of SOPAC's work programme as much as possible in order that the integrated, multi-disciplinary approach used by SOPAC to deliver programmes and more importantly its scientific and technical solutions was not compromised.
- (h) Once the outcome was determined, discussions at programme and CEO levels should emerge with various institutional arrangements; then the change process would need to be mapped out and a timeline framework set in place.
- (i) Committee to manage the change process and roadmap to ensure that the outcome was sustainable.
- (j) To ensure improved service delivery the Committee needed to consider business cases from SPC and SPREP, and some sort of independent due diligence check on the business cases to also ensure that none of SOPAC's services were lost nor indeed compromised.
- (k) Before the change process could be managed it needed to be determined and agreed upon to ensure the outcome itself was a sustainable one; and that the various actions undertaken accounted for sustainability, and also that it was assured; for example, the current work programme secured and fully resourced; service delivery to members ensured; and further improvement nurtured and demonstrated could be the goal of the roadmap.
- (l) The Committee should consider and also agree that a sustainable outcome must retain the work programme; or at least the majority of the work programme as a whole citing that past work by Siwatibau and Muller (2000)¹, on integration of SPC and SOPAC, had recommended the same. and suggested that based on recent discussions and views the business cases needed to reflect this for Committee consideration; which would hopefully be shared later in the year.
- (m) Improved service delivery and effectiveness under new institutional arrangements would need to be demonstrated or shown to members at the outputs level and outcomes level. Members' insights on what improved service delivery should look like would be useful.
- (n) In terms of business cases, Paragraph 19(b) said "rationalise the services and functions of SOPAC into SPC and SPREP"; hence these would be the two organisations to endure beyond this process. The business cases were for their councils to show how SOPAC services would be received, continued and improved; and at the same time not compromise the delivery of the services they are currently responsible for. SPREP and SPC heads at that point take on bigger roles with the SOPAC head taking the advisory role. The Secretariats would need to work very closely to ensure the business cases were comprehensive and sensible. The business cases would also need to demonstrate how the services of STAR would be retained for the region.
- (o) Following due process would require the Committee to ensure that due diligence checks were carried out on the two business cases for validation. Due diligence checks and business cases should be considered together by the Committee.
- (p) In terms of timing, trilaterals and bilaterals would continue right through to the SPC committee and SPREP council meetings in 2009 when business cases details should be being finalised. Timing for the legal assessment would be into early 2009; because the SOPAC Council meeting in Funafuti at the end of October (2008) could raise issues that require further work. The same timing applied to the work on the contractual implications as well. She suggested that the first airing of business cases plus due diligence checks, and the legal assessment, and perhaps any other assessments that might emerge could be as early as the Funafuti SOPAC Council meeting (2008). Given that Council could require further work, it was highly likely that the SCW would continue its work in 2009, meeting inter-sessionally to refine the

¹ SOPAC-SPC Integration Study Report/by Savenaca Siwatibau & Philipp Muller, August 2000 (SOPAC Miscellaneous Report 392)

business cases, and consider the view of the other two organisations involved.

- (q) Further, on timing a decision to receive the services of SOPAC could be taken by the SPC Committee and SPREP Council in 2009. Those (2009) meetings would occur in advance of the SOPAC Council meeting, and if this sequencing were retained, then by SOPAC Council meeting 2009 a final decision could be taken by SOPAC Council in the knowledge that both SPC and/or SPREP were willing and able to accept the services. Absorption could start to occur as soon as the end of 2009; and into 2010. The 2009 SOPAC Council meeting could also take the decision to either dissolve or suspend the organisation SOPAC.
- (r) A diagram (see Annex 5) in the slide presentation outlined the proposed sequencing of assessments and activities.

97) The full presentation and paper for this Item (SCW02/7.1 & 7.2) were distributed to members of the SCW, and is also available on the RIF Page.

98) The Chair thanked the Secretariat for the presentation that the Committee would discuss, as advised, after lunch and adjourned the meeting.

POST-LUNCH SESSION

99) The Chair called the meeting to order at 2:05 pm to resume the business. He thanked the Director of SOPAC for the comprehensive presentation on the way forward; and the indicative timelines proposed for the Rationalisation exercise. Before inviting comments on the material presented; he invited the heads of SPREP and SPC to help enlighten the Committee further on the presentation.

100) The Director of SPREP confirmed that SPREP Council would meet in September (2008); hence his involvement in discussions with the CEOs of SOPAC and SPC was to try to assist them meet the deadlines set for themselves and to get a rational outcome. He hoped the SPREP Council would handle the matter like the other two councils in endorsing the idea in principle and moving ahead with it. If this were the case, then the timeline presented would hold true; but if on the other hand the SPREP Council reacted with a request for more information before they made up their mind; then these timelines obviously would not hold with respect to SPREP. It was not within his control to say "Yes" or "No".

101) The SPC Director-General highlighted the first anomaly that the three organisations were not on the same page, vis-à-vis governing councils' instructions. He was hopeful that the outcomes of these consultations would work to SPREP's advantage in serving as a brief to the SPREP Council; and some of the questions and issues that may be raised by the SPREP Council may be answered by the outcomes of these consultations and help keep within the time frame as presented.

102) Further, from the SPC perspective they were in general quite happy with the proposed time frame, as he had mentioned the 'fatigue factor' already and that they would come to a point where they would rather focus on implementation and servicing members; and that the culmination in 2010 was for SPC the 'best scenario realistic target'. He was concluding this taking into account the SPC experience in RIF discussions with other CROP agencies. Milestones he felt made timelines achievable; and without them the implementation date could become a moving target. The business case concept was not his ideal. His view was that there had been a process of consultation begun among the three agencies; and that in the ideal scenario; the consultation would turn up an option. Consultations would arrive at an agreement of what goes to SPREP and what goes to SPC from the secretariats' perspectives before these were then presented to respective governing councils; in particular to the SCW; and from that point the three (CEOs) would develop a joint implementation plan. In his mind, business cases created a sense of competition; in that SPC and SPREP were bidding against each other for something; whereas with his 'ideal scenario' the cooperative process was the best modality for agreement; hence his preference was that the three CEOs present a joint framework for implementation to the Committee that addressed all the issues that it might have. He suggested to the SOPAC Director whether it were not better to advance the consultative process rather than 'business case bidding' at the end, develop a joint framework for action for presentation to the SOPAC and SPC councils, and that this might help SPREP in articulating some of the issues for itself.

103) The Chair thanked the two CEOs for the very valid points raised, which he thought would be useful in guiding members around the table on how the Committee would proceed with the presentation and the way forward with the Rationalisation. The Chair then opened the floor to all members for their comments.

104) The Cook Islands thanked the CEOs of SPREP and SPC for their views on the Rationalisation issue, particularly for their take on the way forward in coming together as a group of three agencies to facilitate the transition process for SOPAC. In view of the issues at hand and with respect to business cases, he pointed out that these could also be called business plans. He thought there was experience enough around the table to write business plans. He used the example of what the Cook Islands was going through at this time with respect to new and exciting interest being expressed in its vast resource of manganese nodules to illustrate his point, on what was being requested via the business cases from SPC and SPREP. Further, the progress taking place today on specific country requirements with respect to the extended continental shelf (eCS) issue that relates to seabed mining and other seafloor and sub seafloor resources was also quite involved and extensive. He mentioned that these were covered under the Pacific Islands Regional Ocean Policy, and the Pacific Plan of which the current Rationalisation process was part and parcel – and was to do with looking after the resources of the Pacific. These sorts of examples were what could be used to devise business cases. The delegate also shared that the Cook Islands was entering very interesting times and many years after the first identification of its vast resource of manganese nodules with many companies wanting to buy in to the Cook Islands' manganese nodules programme with many entities fronting up to Cabinet to present their cases offering all sorts of plans to mine, especially the licensing issue. At this time,

when it was almost certain that mining would take place in the very near future; the Cook Islands would need all the experts, all the assistance and technical advice necessary, which SOPAC has helped with over the years. As the repository of all the PICs data on the Pacific Ocean and in particular [its] non-living resources, this was the time when Cook Islands would be heavily relying on SOPAC to produce documents to protect it against entities that were there "just for the killing". This was also the time that the potential for the extension of the Cook Island states' continental margin to over 287 000 sq km of additional seabed area, needed examining. This would again attract more interest from many parties and therefore the advice of SOPAC would be required in this particular area to nurture and take the Cook Islands through the process that would ensure a fruitful economic return for them, in future. He had been reading with great interest documentation regarding the exploration already occurring in Papua New Guinea waters and was especially interested in the economics around the whole process. This was a particular area that Cook Islands had been studying with SOPAC support; and that in forty years it 'was just about coming right'. Further that they were ever-mindful of in-country capacity required to handle such a programme – it would require a lot of rigorous planning and resource management.

105) Cook Islands returned to explaining his view with respect to the business cases; and that he took on board the SPC view of continuing with talks so that there would be some alignments on how future programmes could be delivered. The example tabled above was a classic case of where the Cook Islands had a lot of data with SOPAC based in Fiji and critical to understanding, assessing and managing the deep-sea mineral resource. He also offered that the same could be said of SOPAC's Disaster Risk Management (DRM) programme which was moved around 1999 to SOPAC from the UN (UNDHA). He advised that SOPAC worked to develop the plans and relevant papers required to secure resources to undertake a full disaster management programme and devised a transparent approach for requesting assistance in those particular areas both in and for PICs – this was one other area that was very important to PICs. If these types of programmes could be facilitated; he was sure that member countries, the SOPAC Council and other councils would be happy with the delivery principles and satisfy themselves through properly articulated and demonstrated assurances of effective and improved delivery of services to all the countries in the Pacific. He concluded by saying that he would rest his case with the two examples; because if he went on to enumerate the other examples he would be the only one on the microphone all afternoon.

106) Fiji, as a follow up to the comments from the SPC Director-General, wondered about the element of competition suggested by the business case concept, and asked for further comments from the Director of SOPAC on that particular aspect.

107) The SOPAC Director agreed that the way in which the concept was presented probably suggested an element of competitiveness in terms of business case development; however with the various trilateral and bilateral consultations that would need to occur; what was hoped was that these business cases developed by SPC and SPREP would emerge as complementary. There had been talks around institutional arrangements, and it was hoped that the Rationalisation exercise continuing with CEO and programme consultations would provide clarity as to which of the two organisations would accept the bulk of the functions

and services of SOPAC – and at that particular point the business case developed by that organisation would need to outline what would happen; how the services would be absorbed and how they would be demonstrated in terms of delivery by the organisation once absorbed; and that assurances would need to be given to the receiving agency's council and to the SOPAC Council that there would be improvements with no compromises in the delivery of all services. She apologised to the Committee for creating a sense that there would be competitive bid(s), and she hoped that the consultative process would result in complementary business cases. She also offered that, using the concept, SPC and SPREP should be able to outline to their respective councils what it was they stood to receive or inherit. She suggested that the proposition as presented be accepted seriously, because as the process moved through to the end where the final decision(s) would be made, SOPAC Council would need to consider the total package of two business cases and the related due diligence. She explained that for SPC, they would be interested in what it was [from SOPAC] that they would be responsible for continuing to provide to the members; likewise for SPREP. She certainly agreed that the way in which the business cases were developed would need to be joint; hence her point about working very closely with her counterparts. She concluded that in terms of clarity for the receiving organisations, it may be prudent to show what was going where; and how those services were going to be delivered differently and actually be improved.

108) The Chair asked Fiji whether he wanted to continue with his intervention after the explanation by the Director.

109) Fiji thanked the Director of SOPAC for the clarification and that in that light Fiji was reassured because he did share the concern expressed by the Director-General of SPC that an element of competition had been introduced. He was happy to hear that the process of trilateral consultations and engagement should take care of issues while developing the business cases. The second issue Fiji raised was to do with the due diligence phase; and he recalled from the first Committee meeting discussions, that Fiji proposed that at some stage there would need to be a step where members would be able to assure themselves that the outcomes of all the assessments and analyses undertaken by the three heads of organisations were indeed in their best interest. The actual words used in the (SCW01) Record was for an 'independent consultant' – Fiji enquired whether the 'due diligence' within the timeline presented took care of that proposal by Fiji; or was there a separate provision for that?

110) Chair requested the SOPAC Secretariat to respond to the enquiry by Fiji.

111) The Director of SOPAC explained that in presenting the need for due diligence on the two business cases that would be developed by SPC and SPREP; it was really a validation exercise to be sure that none of the services currently being provided by SOPAC to members, and that remained priorities, would be lost. Also beyond that to provide Council with assurances that what was being suggested in terms of implementation and the continued delivery of the services actually made sense. With respect to the Fiji comments and suggestion at SCW01, her recollection was around providing members with assurance that they would continue to enjoy whatever services that SOPAC provided under whatever new arrangements that would emerge, and that the services were in fact improved. The Director reported that she had yet to outline a detailed

terms of reference for the 'due diligence', therefore at this stage, she was following due process in proposing it to the Committee now; and it would be something she would need to work on, and get agreement for by the Committee at a future meeting. The final decision would be based upon the fact that members were assured that SOPAC services would be better (that is improved service delivery) in the receiving organisation(s) – and on that basis it was hoped that the business cases and related due diligences should be sufficient and comprehensive enough to provide Council with that level of assurance.

112) Australia referred to the diagram in the presentation (slide 3) where the business cases and due diligence checks were presented and directed her question to the three CEOs about how their councils felt about their CEOs presenting business cases to the SOPAC Council for what seemed like some sort of arbitration or approval. She thought the process seemed strange and was interested in hearing how, as CEOs, they saw that. She had not seen such a process before and wondered what role that gave to the SOPAC Council vis-à-vis the other councils.

113) The Director of SOPAC said that she had mentioned during her presentation that the SOPAC Committee could encourage the heads of SPC and SPREP to develop business cases. From the SOPAC Council perspective, she said Australia was 'absolutely right' in that the SOPAC Council could not be instructing the SPREP and SPC CEOs; however, in the actual decision taken by the Leaders, they did mention three organisations: SOPAC, SPC and SPREP; and they also did mention that SOPAC services and functions would be Rationalised into two receiving organisations, and so at some stage there would need to be some level of interaction between the committees and councils of those three organisations. She repeated that SOPAC members would need to be assured that the services and functions that are currently being offered by SOPAC would continue and would in fact, improve. She went on to suggest that the Committee and Council of SPC and SPREP would need to also be assured that any services they were willing to accept would be improved as well as improve/enhance the current services that they were offering. She suggested that it would have to be a discussion or consultation between the members of those respective organisations. In terms of the time lines and sequencing, she hoped that the way in which it was presented allowed for those organisations to have an opportunity to see what optimum institutional arrangements were being proposed, before the final consideration and decision by the SOPAC Council. As much as it was at the CEO level, it would also need to be similar between the owners or the shareholders of these respective agencies.

114) Australia expressed interest in hearing responses from the other CEOs as well.

115) The Chair announced that the floor was certainly open for the two.

116) The SPC Director-General submitted that the SPC issue with business cases was probably not in the process, but rather the label and connotation of a 'business case.' He personally found it easier to have milestones, because the process could then be related to the milestones. For example if the first milestone was said to be the packaging of services that went to SPREP or SPC, and then added to that the time when there would be an idea of that packaging at the next meeting in July (SCW03) – that if that were an area

where there was some agreement then that would be, in a sense, having a consensus at that point. From that point he saw his role as taking the part allotted to SPC and developing that further for two purposes: (1) to report to the SCW that these services had been implemented by SOPAC under the following structure and the following associated resources; then show how it might fit within SPC in a way that addressed the issues that the SOPAC Council might have. (2) He would present the same issues to the CRGA but in a slightly different manner, for example. "This is what the Forum Leaders (19b) said, in going through the implementation plan you've instructed us to develop a roadmap for the implementation and part of that process has agreed that this is what comes to us, and therefore I'm presenting this to you as the expansion of the work programme of SPC and this is how it will fit; and this is how it's resourced" – in order to ensure that we build an enhanced mechanism because at the end of the day SPC had to provide a service that was at least equal to the current, or better. He viewed the business case as more an implementation framework because it started off from a consensus, hence ensured that the best arrangement was accomplished. The whole process as described by the SOPAC Director was intact and his initial concern was with the term 'business case' and what it implied. He also heard a concern expressed about programmes that neither SPC nor SPREP would take; and stated that he didn't think there was an option for being selective over what an agency would receive or not, according to the intent of the decisions already taken. He concluded that the CEOs of the receiving agencies would need to account for everything that was there and adding to it, in their planning.

117) The Chair sought the SPREP view on the question posed by Australia.

118) The SPREP Director started with "a rose by any other name is still a rose," and stated that the problem here was trying to manage the change that Leaders had tasked the organisations to carry out. The process had begun for both SOPAC and SPC; but not SPREP and SPREP was wishing to learn from this process how to manage the change for better coordination all round. He was, by participating, providing the information, the feedback and hopefully some wisdom into the whole process. The Director stated that he was at hand to gain some wisdom to take back to the SPREP Council; so that at the end of the day the decision they made was the best one for the region. In terms of process, he pointed out that "nobody said, 'this is how you do it', they said, 'you the CEOs get together and do this.'" Hence this was a trial and error process and so perhaps 'business case' was not a good term; 'milestone' was perhaps a better word; 'recommendation' 'options' maybe even better. The Committee should assess these from whether they made sense to Rationalise – the point of the matter was that proposals are needed, due diligence checks on those proposals are also needed, and the Committee needed to be assured that what was [eventually] presented to the councils was not only what the three CEOs wanted; but that these were actually professional assessments within the organisations themselves and seconded by an independent mind; or an independent body.

119) On the timeline; Director of SPREP said Australia had a point in questioning why the other two CEOs should be reporting to the SOPAC Council because they were not accountable to it. This was correct, and that they may not be accountable; but by virtue of the decision of the Forum Leaders, we're all in the same boat in trying to figure out our

roles – and they had said Rationalise – so this was one way. If the Committee thought the way wrong, then this was the reason for the meeting; to learn together and then from there take it further. He counselled that the group should not get bogged down on semantics but rather agree on the process. He felt the timeline was important; and also important to be seen as moving forward; however, not at a rate that too many mistakes that couldn't be undone; or to learn from were committed. He thought the SOPAC Director's thinking on the matter was a rational way of moving forward; and he was certain that she had been advised by her staff and that he, as CEO, would like to contribute to that. The CEO trilaterals were not an assurance that what came out was rational; but it was one attempt to rationalise what came out; the Committee would judge the final product at the end of the day. He agreed with the Director-General that the timeline of 2010 was realistic. He thought that the use of the screening process – by subjecting this to cost analysis, due diligence, business plans or prospectus, or recommendations or options – were normal processes to screen and show that the end result was a rational option.

120) New Zealand assessed there was a lot of wisdom in what the three heads of agencies had been presenting. The model before the Committee of the business cases and the due diligence are certainly important ingredients in the process arriving at the best outcome. Also he took on board the Director of SPREP's remark about not getting bogged down in semantics but one principle that he thought important for governing bodies was that secretariats should try to make life as easy as possible for their governing bodies. He noted that the Committee had been informed that the trilateral discussions were continuing on optimum arrangements and that the business cases to emerge should be compatible; hence he thought the fundamental work was there already. He wondered why Council could not be presented with a consolidated set of advice that had the stamp of the three CEOs, based on the business plans, the due diligence, trilateral consultations etc; instead of a sort of five-element product that included two business cases (hopefully compatible), two sets of due diligence and legal requirements. He submitted that for a Governing body it was a lot easier, and a lot more workable to have something that had gone that extra step; than having to dig into the details – he was certainly not suggesting the groundwork not be available for members as background information if they did want it; to see what underlay the advice in more detail, but for the paper coming to the Council; he suggested it optimum that the secretariats go the next step and have the joint paper for endorsement and decision.

121) Fiji responded to the New Zealand question on why not go straight through to the final joint paper package by submitting that given the gravity of the issues surrounding the RIF review process – a subject that had been under discussion and quite intense debate throughout at officials level of the FOC process; down to the SOPAC Council meeting and even now at the first and second SCW meetings – and the high stakes involved in this for SISs, Fiji retained the view that it was absolutely dear to them that at every stage, they were given every opportunity to assure ourselves (as very dependent recipients of current and projected SOPAC services) that services would not be compromised. They would prefer to have a say at each stage of the development of a final decision on this matter. Fiji appreciated the need to simplify the processes as much as possible at the CEOs level but their view was that one of the main reasons for the SCW's existence; was not only to save having that work taken to the full Council but to also

retain some measure of scrutiny of details. This was not to discount the benefits of having a final joint proposal/report all fully endorsed. Fiji deemed it absolutely crucial that they be involved at every stage; and that it had nothing to do with not sufficiently trusting in the CEOs; but had everything to do with the high stakes involved. The second point Fiji wanted to bring up was related to an earlier question about where the independent consultant came into the process. Fiji continued to hold the view that the development of business cases and due diligence checks were focussed on the three affected organisations themselves – such as the financial, administrative aspects of Rationalising and moving services across – what Fiji wanted to see was how the fourth partner in this equation, individual member states and key shareholders, would be affected by the change. Fiji wished to see a solid step put in, before the time for final decisions, where recipient island member states of SOPAC services had opportunity for an independent scrutiny, from their perspective.

122) Marshall Islands recorded their support for the way forward presented, whether this one by SOPAC or maybe from SPC and SPREP. From the point of view of the member countries; so long as they were assured that service delivery was going to continue and get even better; then it eliminated one of the main concerns they had. Hence, if SPC was able to prove that it would certainly take on the services and deliver them in a better way; then the Marshall Islands was satisfied. SPC's CRGA would need to see if this was going to be a burden to SPC, that is where would the funds come from to ensure that programmes continued. He encouraged the three CEOs to continue to work together for a common way forward, that would serve member countries. Marshall Islands realised, as discussions started, the enormous amount of work that had been done and would need to be done; and he wondered how much money had already been spent from the working committees when they began at the Forum up until this exercise with the three agencies: SOPAC, SPC and then SPREP. He was interested in knowing how much money had already been spent and would continue to be spent on this – 'if this money had been used for something else to members' benefit' – was the type of question/issue that he was struggling with.

123) Cook Islands thanked the previous speakers for the issues they raised, as they did highlight the thinking at this point in moving forward. He concurred with the views expressed that SISs wanted assurances of continued and improved delivery of services to the islands. The words 'business case' he realised were not rhyming well with SPREP or SPC, but he noted that they had explained these issues and he thanked them for it; and in a way this assured him as a Committee and Council member, that services would actually be aptly delivered should the Rationalisation process go ahead. Certainly, at this juncture, while each CEO was still responsible to their own Council; even the joint papers by CEOs as suggested by New Zealand would still need clearances from the Committee so the Council was aware of everything that was happening; and the same went for the other two agencies. Although the process had begun with the highly commendable meetings among the three agencies – the issues that had been tabled by the members throughout the day must be taken on board, and in concert with views expressed by the heads of SPC and SPREP. Until then, this SOPAC Committee of the Whole Council's deliberations would have a bearing on what got presented to Council in October.

124) Cook Islands continued that Leaders would meet before the SOPAC Council (2008); and how Leaders would

look at this process would not be known until they met in August (2008) in Niue. His view of the current process (which brought to mind the Marshall Islands point made earlier) considered what could happen, if the Leaders reversed or changed what was expressed in Paragraph 19b of their (2007) Communiqué. These were just administrative processes; and in reading the SOPAC Director's paper, he wanted to add one other thing – that as a Committee member he would like to know how programme interventions in the SOPAC mandate would be delivered by another. Naturally SOPAC could not tell the SPREP and SPC CEOs how they should move about in their own organisations but they have expressed views and those could form part of the option(s) to pave the way for the SCW to come to closure on this issue. It should be completely understood how SISs have relied heavily on SOPAC to deliver certain services because of the [lack of] in-country capacity, especially in scientific and technical areas. In view of this it was only healthy that there was some form of dialogue or continuous talk on options tabled for each organisation to have a look at. The SCW would need to come to a closure on this because of the SOPAC meeting in October (2008). He didn't want to be part of a decision that the Council would hold the SCW responsible for; as it should be something that aligned the views of all council members. The last SOPAC meeting in Tonga (2007) showed certain countries held their own view towards this particular issue. Therefore the job of the SCW would be to make a good case for Council to discuss in the session to come. He agreed that if the words 'business case' were unsavoury, they could be changed to reflect what the other Committee members preferred and found more palatable; but certainly those elements in the paper by the SOPAC Director did require a decision and some thoughts on how SCW intended to facilitate the process.

125) The Chair decided that the Committee had come to the end of discussions on the topic itself. He noted that Marshall Islands had raised an issue about the costing on the entire RIF exercise and suggested that this could be provided in consultation with the PIFS for the next meeting. Chair also noted the matter raised by Fiji of the need to be informed on a regular basis – and that the Committee had agreed that trilateral meetings would continue, and that it was open to observership from Council members. His grasp of the discussion was that the Governing Council or the members of SOPAC would continue to be involved in the process through the feedback through the SCW; and also the Council meeting, which would scrutinise every outcome of trilateral meetings and the form of recommendations, that came; and the options developed. The Chair enquired whether that [summation] would take care of the Fiji concern as well.

126) Fiji replied that their concern was largely covered; but that from their perspective it was not only being involved in the trilaterals that Fiji would be interested in but also the documented outcomes of those being reported to this Committee, for its collective deliberation. While he did acknowledge the irregularity of having executives of other organisations answer to the SOPAC Council, Fiji was also referring to the need to have these executives provide their own views on how SOPAC services could be effectively taken across and services improved. This was a unique case and hence it was inevitable that some degree of cross reporting might occur. Fiji viewed this as also part of what they were asking in terms of giving recipient island states the opportunity to assure ourselves if indeed services that moved across to whichever agency meant that an improvement in the delivery of services would be assured.

He begged to differ from a comment made by the Director-General of SPC about the transferred services being "at least equal to or better" – he thought the whole point of the exercise was to end up with an arrangement that did improve service delivery and that "at least we maintain services" should not be acceptable. While he still had the floor he asked where in the current time frame would the finalising of members' views about the option that would be taken, fit.

127) The Director of SOPAC said that in terms of the institutional arrangement the three CEOs would be working on those over the next week(s), with the hope that in advance of the third Committee meeting (SCW03); that recommended option(s) could be shared with members on the emerging institutional arrangements that would form the absorption plans into SPREP and SPC. She also answered an earlier enquiry from Fiji on the independent assessment from the perspective of the recipient states – that during CEO trilaterals they would discuss how that could be addressed – in fact she thought the New Zealand suggestion of pulling together a more consolidated advisory to Council instead of a five-element product may well be the ideal point where an independent assessment could be included.

128) The SPREP Director concluded from what he was hearing around the table that members, especially the recipient countries, wanted to reserve for themselves the sovereign right of scrutinising what would go up to the Council(s) – that is there seemed to be a need to be assured about what was going to be decided on and then take a position at the country level and he wanted to be assured that this was indeed what he was hearing; because if that was the case, then it would need to be worked into the process and into the timeline. Also, at the risk of beating a dead horse to death, whatever comes out, in terms of business plan or options, come September and the SPREP Council says, "I'm sorry you need to go back to the drawing board" – realistically what the three CEOs were proposing; and filtering through the SCW was sensible and doable. He was verbalising this so that there would be no misunderstanding or misconception that what was agreed here by the Committee was not seen to be derailed if a certain Council, quite conceivably, said, "Well we need more time." That is not to say that the SPREP Secretariat is not working with the other secretariat(s) in trying to achieve the decision that had been made by the Forum Leaders. He submitted those as the parameters within which the work had to be done to ensure that what comes out at the end was owned by members of SOPAC.

129) The SPC Director-General confirmed everything his SPREP counterpart said. For himself at this meeting, he informed that he would like to use information that came out of the SOPAC process; and present the same. He thought it important that what came out of SCW (maybe written slightly differently) and his message were the same; particularly on the way forward after the respective governing council meetings of 2008. The information that was reported back to respective governing councils, he said, had to be similar. He proposed to the SCW for consideration, something which he would probably also ask the SPC Committee to consider this year and that was if the decision point were next year (2009), the SCW might wish to have all three CEOs reporting the same paper to all three governing councils and the Forum Leaders. In a sense it was the one body presenting the case because there were four key parties to this – the Forum Leaders (that made the decision with this group being the people [subjects] that were looking at the

decision); and there were three governing councils party to the decision.

130) The Chair thanked his colleagues and rounded up with saying that the meeting had heard a presentation and that it was noted and agreed, whilst noting the concerns and views raised around the table.

131) At this stage he suggested taking a break and announced that the meeting would return to deal with the remaining two items; and since these were all related if members had additional views on the presentation under Item 7, they could always raise it under later items.

Agenda Item 8 – Update on Timelines and Constraints

132) The Chair called the meeting to order at 3:50 pm, thanking delegates for their patience and that they would proceed to complete the agenda, beginning with Item 8, the update on timelines and constraints.

133) The SOPAC Director introduced the item, remarking that she had earlier shared with members the various meetings and the sequencing of those in respect of SOPAC's meeting. The item was to also hear from the PIFS, SPREP and SPC on the exact dates for their 2008 meetings. She provided the SOPAC dates as 22nd to 30th of October (2008) and confirmed to be held in Funafuti, Tuvalu.

134) The Chair opened the floor to SPREP and SPC to update the meeting on their Council meeting dates.

135) The Director of SPREP informed that the SPREP Council would meet before SPC's CRGA, from the 8th to the 12th of September, in Pohnpei, Federated States of Micronesia.

136) The Director-General of SPC said the SPC meeting was 13th to 16th October in Noumea.

137) The PIFS representatives [in conference] gave the 19th of August to be when the Leaders would meet in retreat. The pre-Forum FOC was scheduled for the 23rd and 24th of July, which would be preceded by the Pacific Plan Action Committee meeting on the 21st and 22nd of July (PPAC also had an interest in the outcome of the SCW process). The representative recorded that there was intent to report back to Leaders on the SOPAC as well as the Forum (with the FFA) processes, through the Pacific Plan Action Committee. Reporting might also be channelled through the FOC but it was still being debated whether it would touch the subject – by either of the PPAC or FOC mechanisms, the report back to Leaders on the progress on processes undertaken in respect of the RIF review was expected.

138) The Director of SOPAC responded on that note reminding the Committee that it was the intention of the SOPAC Chair (by decision) to write to the Forum Chair providing an update on what had occurred since the Forum Communiqué up until the August 2008 meeting. The SCW would need to work with the Chair on drafting that letter at its third meeting, which would hopefully occur in advance of the pre-Forum FOC and the PPAC meetings.

139) The PIFS representative said they would certainly appreciate access to that letter so that SOPAC and PIFS were in sync with respect to any message that went to the Forum Leaders.

Suva

Tuesday, 13 January 2009

140) The Chair ruled that the whole purpose of this item had been accomplished, which was to inform on the dates of the major meetings related to the RIF exercise on SOPAC.

Agenda Item 9 – SOPAC Director Work Programme between SCW02 and SCW03

– Tasks to be Completed

141) The Chair gave the floor to the Director to introduce the item.

142) Director of SOPAC said the purpose of the agenda item was for the Committee to provide guidance (as it did during its first meeting) on what she needed to do between SCW02 and SCW03. She had reported to the Committee on the tasks that were underway and trusted that the verbal reports provided with her SPC and SPREP counterparts had given the Committee information on the progress against various actions. She requested further guidance from the Committee as to any other specific actions requiring work for reporting to SCW03, proposed for 16th of July. She referred to the tasks outlined on the slides (see Annex 5) in the presentation under Item 7; as ongoing tasks that would be attended to by the three CEOs; but that she was ready to hear about tasks additional to that.

143) The Chair moved the meeting to Item 10, as there was no response to the Director's request.

Agenda Item 10 – Date of SCW03

144) The Chair introduced the item, which the Director had already advised as proposed for the 16th of July 2008 – this would be the last Committee meeting before the SOPAC Council meeting. Chair asked if anyone had any problems with the tentative date, 16th July.

145) Since silence was the answer to the Chair's question, he ruled the date endorsed by the members.

Agenda Item 11 – Other Business

146) Chair announced the item and opened the floor to members if they had other business to bring up.

147) Marshall Islands brought up a matter that was discussed earlier on the inclusion of the EU at SCW meetings. He reported that while the Papua New Guinea delegate had only been thinking of the EU (as the major contributor to the SOPAC Work Programme) in making her suggestion, he was treading with caution because of the implication that if one donor were invited, the rest would have to be invited as well and then the gathering would become too big. He wanted to know how the meeting felt about it.

148) The Chair invited Papua New Guinea and other members to contribute to the matter.

149) France said that the EU was 27% already on board, with France; and that he would inform of course all the other member states of Europe.

150) Papua New Guinea clarified that her view was just to include the EU as observers by virtue of being the major funder of SOPAC projects. She was sure they would also be

concerned about the money they had spent and the Rationalisation process that was going on. They would be interested in what was going to happen to some of the programmes under the 10th EDF and the future of the other programmes and projects that SOPAC was currently undertaking. She thought it would be good that they be also part of the process to have an insight into the Rationalisation. She left it to the members benefitting out of those projects to decide, and concluded that the EU would have a say in the end anyway; on what they wanted to fund and what they thought was important.

151) The Chair thanked Papua New Guinea and said that the floor was opened to other members to comment on the issue. He summed that the meeting had a proposal from France to inform the EU on outcomes; or alternatively if the SCW felt that it could become so large to become unmanageable, then the EU could be included in the circulation list for the results and outcomes of the meetings – but that was up to the members.

152) Australia sought clarification as to which meeting was being referred to, [for EU] having attendance at.

153) The Chair replied that it was the Committee of the Whole meetings (SCW) to include donors (like EU). SOPAC hadn't really named the other donors involved with SOPAC's programme [at this forum].

154) On this issue it was Cook Islands view that it was good to have the EU around the table at Committee level; but he understood they already attended SOPAC sessions. He suggested that after Committee meetings; and provided the EU Delegate was in-country, that SOPAC had dialogue with them and other members of the donor community, so that they may be kept abreast with what was occurring. Like Papua New Guinea, Cook Islands was also mindful of the large amount of funding that the EU had granted to SOPAC to carry out programmes, hence the need to advise them of progress in this process. He described the EU programmes as running well, EDF9 about to conclude, and EDF10 still being firmed up. He reiterated his view that SOPAC should meet with them to advise them of outcomes after the Committee meetings, and that the SCW minutes should also be sent to them.

155) The Chair summed up that it appeared from the discussion and views expressed by the Cook Islands and Marshall Islands that the EU would be included in the mailing list of those to get the outcomes of the Committee meetings so they are fully aware of the progress of the Rationalisation. The Chair also asked the Director of SOPAC, that whenever she had time to also consult donors, advising them of progress, especially if they were based in Suva.

156) The Chair asked whether there was any other business before he moved to closing the meeting.

157) Australia had no other business but begging the Chair's indulgence she requested summary of the decision that was made on the last item before afternoon tea. "What was the decision on Item 7 about the way forward" – she was aware of lengthy discussion but wanted to be sure she understood what was decided.

158) The Chair gave his general recollection that the presentation was noted; which was to be used by the CEOs and the three organisations as a basis to work on. The indicative timelines advised through the presentation were

Suva

Tuesday, 13 January 2009

also noted. Further that the three CEOs and secretariats (at programme level) would continue to work and report back to the next SCW meeting. He acknowledged that comments and some worries were expressed on the level of "improved" service delivery, but conceded these to be part and parcel of the ongoing discourse. The Committee of the Whole would be looking at outcomes from the next trilateral meetings to provide more clarity to the set of activities/institutional arrangements that would be rationalised to where. He offered that some concerns might already be addressed such as Fiji's request for assurances that a better level of service delivery would be forthcoming under new institutional arrangements. The paper provided a roadmap, which the three CEOs would be following to progress the work from SCW02 to SCW03. Chair invited the SOPAC Director to add to that summation.

159) The Director of SOPAC gave her sense of the agreement, which was that the process itself was acceptable to the members; but that there was some discomfort around the terminology 'business case' and that the three CEOs would need to come up with a more palatable term to describe the 'absorption' stage of the process. Further, that in the immediate weeks that followed this meeting, there would be further CEO as well as programme trilaterals to advance the Rationalisation beyond a glance introduced at SCW01. It was hoped that institutional arrangement options would have emerged by then for this Committee to consider and that that would form the basis of the next steps, which would be the development, by SPC and SPREP of the implementation/absorption plan. She submitted that her distinct feeling was that there was nothing that was being suggested in the process on the way forward that was objected to by the members; and that generally the process that was described was acceptable. There was agreement around the fact that timeliness in progressing the initiative was key. There would be time for when the Summary Record was circulated to better articulate the outcome from Item 7, but essentially to describe the steps that would need to be taken to continue the momentum of the initiative.

160) Australia appreciated the clarification and asked a further question with respect to a suggestion that did receive some support from around the table, that rather than have the report(ing) exactly as represented there (on slides 3 & 4 on the presentation, see Annex 5) that the CEOs in their meetings do make every effort to come up with one agreed approach to put to the Councils – an approach that had Australia's support.

161) The Chair asked the members of the Committee whether they shared that understanding; and it was noted as such without dissent.

162) The Director-General of SPC asked to put on his advocacy hat for the point that the Director SOPAC raised earlier about a letter the three CEOs would be sending out for some assistance in order to undertake some aspects of this process; particularly when it required resources that were beyond the level currently available within the three agencies. The CEOs' first task following the SCW02 would be to finalise that letter and send it out for help in realising certain outputs for the next meeting and beyond.

163) Chair said that the Committee noted the letter proposal as well.

Agenda Item 12 – Closing

164) Chair announced the final item, and sincerely thanked participants for their patience and contributions. He called the SCW02 a very productive meeting, despite the sensitivity of the issue that was being handled. He noted the general feeling that the group was making progress in the Rationalisation process. There had been trilateral meetings and things were coming more into focus, and there seemed to be clearer future directions – and there was confidence that through the Chair from Tonga, and the next meeting, the SCW would have a progress report ready to the Forum through the FOC, or whatever. He concluded by thanking those who had come from overseas for coming all the way to Suva, and wished them a safe trip back home.

165) Fiji, before the Chair formally closed, asked for the approval of members and the senior Ambassador from the Marshall Islands, to on their behalf thank the Chair again for leadership throughout the meeting. He also thanked the Secretariat and the Director for all of the hard work behind the scene.

166) The SOPAC Director also offered some closing comments. She described the second meeting as livelier than the first in terms of discussion. She recognised the observers participating in the meeting and acknowledged their effort to attend and participate. She also expressed deep appreciation to her counterparts from SPC and SPREP for the consultations had so far and in future.

The meeting ended at 4:20 pm.

MINUTES OF THIRD SCW MEETING

Agenda Item 1 – Welcome

- 1) The meeting was called to order around 9:35 am.
- 2) The Chair read his opening remarks, attached in full to the SCW03 meeting record (Annex 2).

Agenda Item 2 – Adoption of Agenda

- 3) The Provisional Agenda was adopted (Annex 3).

Agenda Item 3 – Approval of Minutes of SCW02

- 4) The meeting heard that the summary record and minutes of the meeting had been circulated to the participants on 1 July inviting comments by Friday, 11 July. No amendments had been received and no further comments came from the floor with respect to it.
- 5) The Chair ruled the record approved by the Committee.

Agenda Item 4 – Matters Arising

- 6) Chair informed the meeting that he had written to Council under Circular 16/08 of 8 July requesting approval from Council to submit on their behalf as Chair of SOPAC a progress report (on the SCW activities) to the Forum meeting scheduled for mid-August in Niue. Letters of approval had been received from Samoa, Cook Islands and Nauru. He invited further comments from the Committee.
- 7) Fiji extended a general welcome as host country to the honourable Chair and the honourable Deputy Prime Minister [of Tuvalu] and to all of the distinguished members around the table, especially those who had travelled in to attend the meeting. He extended, on behalf of the Fiji Ministry of Foreign Affairs, best wishes to all visitors during their short stay. He looked forward to again engaging in very positive discussions at this sub-committee meeting. On the item under discussion Fiji stated they had informally conveyed their agreement to the request received by member states – an agreement that would be formalised shortly.
- 8) Chair thanked Fiji; and on there being no other comments he took it that the meeting agreed with the course of action. He moved to item 5 and invited the Director to introduce it.

Agenda Item 5 – Update since SCW02

- 9) The Director before providing an update to members chose to recognise the presence of the Deputy Prime Minister of Tuvalu (and Vice-Chair of SOPAC Council) as well as Mr Garry Wiseman, the Independent Facilitator for the SPC-SPREP-SOPAC Programme Trilaterals. Mr Wiseman was present to address the meeting under this item. She also welcomed participating observers France and

the United States; and her fellow CEOs Dr Jimmie Rodgers and Mr Asterio Takesy, although it seemed the CEO of SPREP was delayed because he did confirm that he would be attending the meeting so she hoped he wouldn't miss the meeting altogether.

10) The Director of SOPAC informed the meeting about the concrete actions of progress since SCW02 on 4 June: (1) the CEOs had a very brief trilateral meeting immediately following the second committee meeting; (2) a two-day programme trilateral meeting was held on the 23rd and 24th of June, and Mr Wiseman was in attendance at SCW03 to provide reflections to the Committee on that process; (3) the legal assessment commissioned by the SOPAC Secretariat was completed by the Consultant and the report was before the Committee, although there probably hadn't been time enough given to members to study the report given that it had been sent out on July 10th to the Committee and the full SOPAC Council so she wasn't expecting much discussion on it at this meeting.

11) The Director also mentioned the joint letter of request by the three CEOs submitted to Australia and New Zealand. The letter was received by Australia and New Zealand on the 25th of June, and a joint response from Australia and New Zealand had been received. The CEOs of SPC, SPREP and SOPAC had yet to sit down and consider that. They intended to use the opportunity of this week to look at the response from them; and to provide them with the additional information they had requested in order to gain the necessary additional resources that was needed for the rationalisation process.

12) The Director of SOPAC at this point asked for the Chair's indulgence to invite Mr Garry Wiseman, the Independent Facilitator of the programme trilateral meetings to reflect on the two programme trilateral meetings held so far, for the benefit of the Committee. Also that the SPC and SPREP CEOs be also invited by the Chair to add to Mr Wiseman's contributions with their perspectives on developments in the programme trilateral process since SCW02.

13) The Chair invited Mr Wiseman to take the floor.

14) Mr Wiseman was aware that the Committee knew of his involvement in both the programme trilateral meetings; and thought it would be useful to make a couple of observations and points about them given the Committee's own discussions about a whole range of issues around the process that was being followed.

15) He said the process provided an opportunity for programme staff in each of the organisations to learn more about what the others were doing. From the perspective of being a complete outsider from the work of SOPAC, he found it very revealing and very educational. He thought it educational as well for the organisations themselves to hear from each side what it was doing and how perhaps that insufficient opportunity had been taken for greater collaboration and coordination of some of the things that they were doing together; or could have been doing together more effectively. He also thought that was very helpful in

raising the awareness of effective rationalisation leading to the conclusions which people wanted, which was primarily the retention of the basic integrity of the work of SOPAC together with an improvement in service delivery. Hence the first trilateral just pointed to the need for better cooperation, coordination within organisations and across organisations regardless of where SOPAC's work might end up being located.

16) He had approached the exercise with some trepidation once he had agreed to participate because he realised that when programme staff were brought together there would be a certain defensiveness about how they might end up working together or be absorbed into one or the other of the organisations. He noted that the first trilateral proved to be quite enjoyable personally and found people were very open and willing to talk about issues. He also noted that there was a general collegial view that programme people should seek to honour the views of the Leaders in terms of rationalisation.

17) Mr Wiseman reported that the efforts to identify the synergies and potential linkages between SOPAC with the current work of either SPREP or SPC also highlighted a few things which he felt were important during the first trilateral. Firstly, that the basic integrity of SOPAC's work was to be retained. There was an inherent difficulty in splitting aspects of its work between one or the other of the organisations. Secondly, that for service delivery to be enhanced it would be important to examine carefully both the mode of delivery and the client base at country level – this called into question what might also need to change in the way the services were delivered by either SPC or SPREP before and upon absorption of SOPAC.

18) Mr Wiseman therefore stressed the importance of not only examining the capacity for rationalisation of SOPAC programmes but also what changes were required in potential host organisations, i.e. what might be required to change in the way SPC or SPREP delivered programmes when assimilating aspects of SOPAC's work. He observed that this got very complex at one point and he noted that a number of delegates had raised the highly technical nature of SOPAC work during SCW02; and that it seemed difficult to identify parts that might be carried out by one organisation and not the other.

19) At the second trilateral in June, Mr Wiseman attempted to progress the discussion about synergies recognising that there were possibly three options on the table: 1) was to see the SOPAC work programme completely absorbed by SPC; 2) was to see it completely absorbed by SPREP; or 3) to see some splitting of the activities of SOPAC between the two. Two working groups were established one for SPC and the other for SPREP; with SOPAC programme staff alternating between the two to have more detailed discussion about the benefits, cost, etc. of SOPAC's work being absorbed into one or the other. The working groups were also expected to think about what parts of SOPAC's work might better fit with the other organisation.

20) As mentioned earlier, Mr Wiseman observed that there was obvious difficulty to get people to think about that latter option. It was either everything fitted with SPC or everything fitted with SPREP; and it was very difficult for the programme group to focus on what might be an appropriate split. Mr Wiseman tried to push this by asking in plenary about what might happen in the case of the IT function for example; in that it seemed that SPC was taking leadership in

that area and so therefore could the IT functions be moved to SPC in isolation of other aspects of SOPAC's work. There was a lot of arguments given for why that would be difficult and it was very hard for the programme staff to actually come up with a firm position either way. Mr Wiseman concluded that there seemed to be much more comfort in SOPAC's work programme going into one or the other.

21) The discussions of the second trilateral revealed a further complication in terms of the angle from which SOPAC's work was viewed from, i.e. if it was desirable to see SOPAC's work focus greater on environmental management, then the SPREP home seemed to be the more obvious. If the preference was to see SOPAC's work strengthen the resource use management aspects of the work of SPC, then obviously an SPC home seemed more logical. He observed that it probably came down to one critical point of deciding where members wanted to see the current work of SOPAC grow more strongly. For example, a lot of SOPAC's work evolves around completing the puzzle around environmental management work and therefore there appeared to be a strong case being made by SPREP programme people for absorption in their direction and vice versa.

22) Mr Wiseman pointed out another issue which he felt was really important to bear in mind in terms of absorption, which was the relative size(s) of SPC and SPREP and how that might impact a rationalisation exercise, i.e. SPC as a much larger organisation would appear (at least superficially) to be better placed for easier absorption of SOPAC, because of its existing structure and infrastructure. On the other hand, SPREP as a slightly smaller organisation than SOPAC would, in essence, be bringing together two organisations to make a bigger whole. What pressure would this amalgamation bring to other aspects of the work would need to be considered; and he felt this was important when one started to focus on the quality of services that was expected to be delivered.

23) Another aspect which came out very strongly in the first trilateral and then continued in the discussions was some reflection on how each organisation approached its membership, or put another way – the areas of focus of their work programmes – whether in fact they placed more importance on country and community-level delivery or on following up on regional and international commitments. He surmised that it probably was a balancing act within all three organisations, as all had roles in both areas but he thought the balance tipped more to country/ community-level support in the SPC case, whereas the SPREP tendency was to focus on regional delivery and following up on regional and international commitments – although not negating what SPREP did carry out at country level.

24) The outcome of the second trilateral led people to think that maybe this had gone as far as it could go with the programme staff. They had been able to identify potential areas of rationalisation; and had looked at their own work programmes and how they might marry more effectively, but Mr Wiseman repeated a point he had made earlier – that the final decision of which absorption methodology was more meritorious, either all into SPREP or all into SPC, was not a decision they could make. This admittance then led to some discussions about how this matter could be moved forward. Mr Wiseman's view (which he thought was shared by the trilateral) was that more hard-nosed independent advice on firstly, where and what direction SOPAC's work programme must go; and secondly some advice about what would need

to change, and what needed to be reflected in those changes in either of the organisations or both the organisations should they end up absorbing aspects of SOPAC's work programme. The independent advice was described in terms of a business case that would provide the two or three options for the Leaders to decide on.

25) In closing, Mr Wiseman thanked the Committee for the opportunity given him to facilitate. He expressed disappointment that the programme trilateral wasn't able to take it further than where it had got to; but he acknowledged the obvious sensitivity of the whole issue. He noted that the Committee had discussed staff morale at its last meeting; however he thought that though very critical to this process it was not sufficient reason to delay the process any further because everybody was quite conscious of the need to reach some sort of decision for the Leaders.

26) The Chair thanked Mr Wiseman for his very useful comments which he was sure would be of great assistance to committee members in their discussions. Before he opened the floor to the Committee for questions or comments he invited the CEOs of SPC and SPREP for their perspectives on Mr Wiseman's presentation.

27) The Director-General of SPC thanked the Chair for the opportunity to address the item; and began by commending the Director of SOPAC's vision in engineering the appointment of an independent chair (facilitator) for the programme trilaterals; and given that the person was someone from outside but who was also a partner to the three organisations put that aspect of the process in very good stead. He reported that what he heard Mr Wiseman say was essentially a duplicate of what SPC staff had reported back to him with respect to the SPC participation in the process. Rather than belabour the point of difficulties, he thought the three agencies worked in excellent cooperation to try to make things work. He did not sense any defensiveness from his troops and they thought the openness from all three organisations was very useful. At the end of the day, SPC's stance was to try for the best outcome in terms of benefit for the region. He commended the programme staff and the leadership by Mr Wiseman that ensured that the focus of the group was the same, i.e. that the outcome benefits the member countries.

28) The Director-General of SPC continued by emphasising the last point made by Mr Wiseman in that looking at synergies at the programme level had gone as far as it could. He expressed that unless there is much clearer guidance, like "this is the end point we'd like you to see can you do the chop!" – this the programme people would not be able to do that. He proposed that the question now was whether that instruction should come from the three CEOs, or whether more objective assistance should be sourced from the outside. The outcomes or outputs achieved in the process to date could be made a part of the terms of reference for a more independent assessment that could look firstly at what was the best arrangement for the region, and then on that basis come up with what might be the best split or even just to say, "well really we need to go back and say this is probably the better package to achieve what the leaders [want to] see." He thought a point had been reached where the CEOs could quite confidently recommend a much better focussed external assessment. The difference between the external assessment he was speaking of here and the previous RIF exercise, was that the previous RIF exercise had a much wider focus. From the perspective of SPC, he was quite happy to support the view that had come

up and that it was something that the three CEOs themselves had also started to think through. Depending on what the Committee of the Whole thought, a terms of reference for an external assessment (which has been floated around [in the lead up to the second programme trilateral]) could be refined for circulation before that assessment moved forward.

29) The Chair invited the CEO of SPREP to make additional comments.

30) The Director of SPREP apologised for his late arrival, which he blamed on travel arrangements "gone wrong". He went on to echo the sentiments of the SPC CEO, in that SPREP had participated in broad examinations of the issues for areas of possible fit; and how the agenda could be better advanced. The examination had been from the CEO point of view initially; and taken down to the programme level where the technical basis for the best way forward could be advised to the CEOs. The Director thought an admirable job had been done, and he too commended the independent chair for his leadership in the process. He was of the view that it helped bring about a very important consideration to the matter at hand – and that was that an objective view of what was the best for the member countries of SOPAC should be formulated. He recalled that one of the critical importance of rationalisation was that SOPAC services not only continue but in fact improved and he acknowledged this to be a goal that all three CEOs were trying to achieve in their consideration and deliberation.

31) Director of SPREP continued that without trying to skirt around the issue, his view was that when it came down to deciding where SOPAC would end up, that it was ultimately a political issue and advised facing up to that fact. Whether or not it was time to kick this back up to the politicians but that the process so far had actually identified three possible scenarios. The independent assessment mentioned by the SPC CEO was really to look at the three possible scenarios and inform the decision makers as objectively as possible on what would be the most advantageous way to move forward; i.e. which of the three options of all (SOPAC) into SPC; all into SPREP or a combination of the two. While this may be so, he remained mindful of the concern that had been raised initially by the Council of SOPAC, which was that the services of the organisation are not fragmented; and that staff morale and the confidence of donors, both very critical to the sustaining of services were not eroded.

32) Director of SPREP pointed out that in taking all these together the focus needed to be on what particular advantage(s) was/were in going one way or the other; or alternatively members could say "we think it should go with only one of them"; and cut out the third option so the field was even further narrowed down to two, the merits of either could then be examined. He also advised being conscious of the time, the financial resources and the human time element that was being devoted to this question and urged members to seriously consider the political component and quicken the decision making without rushing it; however, members needed facts to help them make the decisions. He believed that some of those facts now lay on the table; although there could be scope for some more independent facts and views to be tabled for members to conclusively come to a definitive decision.

33) Director of SPREP recorded that SPREP was conscious of its size, as pointed out by Mr Wiseman; and

was not claiming to have all the answers. SPREP was fully aware of the capability of SPC; the outreach programme that it had and SPREP did; and suggested that this be one angle that the members should consider. Should the services to environment be provided on an outreach basis? If so, then as Mr Wiseman pointed out the environmental puzzle would not only be filled out but that the footprint would also be broadened. His belief was that it would be well for the region that it did not just have a social and economic strength to stand on, but indeed the environmental component needed strengthening within the three pillars of sustainable development.

34) Director of SPREP concluded that the options were now drawn to the fore. Members could either take a decision at this point and say "let's go with one or the other", or instruct the CEOs to continue to examine the three options. He cautioned that time was ticking away, and resources not unlimited, particularly in SPREP's case where he didn't have a budget base for his engagement in the process, so he suggested that the due diligence assessments could be begun on the options. This was the main reason SPREP attended the last programme trilateral and suggested that a way forward was to actually give it to an independent consultant to assist in better analysing these things and then presenting the facts and the way forward to members to consider.

35) The Chair opened the floor for questions and comments from members.

36) Cook Islands thanked the Chair and greeted the Honourable Deputy Prime Minister (of Tuvalu) and his fellow members. He went on to thank Mr Wiseman for his report and acknowledged the views expressed by the CEOs of SPC and SPREP. He noted it as "quite obvious" that there was still a lot more work to be done; for instance in the changes within the two receiving organisations', their own arrangements and mandates and how the improved delivery of services to the Pacific Islands could be accomplished.

37) Cook Islands while agreeing with some of the principles as raised highlighted an ongoing concern that was mentioned by the Director of SPREP, which was that in building up the needs of each country's programme intervention areas from SOPAC the SOPAC programmes must never be fragmented – a view he wanted to take in this case. On what needed to change in the receiving organisations, he highlighted that a report that was currently in front of the Committee, by legal consultants, covered what needed to change. He would go along with what had just been suggested by the Chair and the Director of SOPAC, that we go back and analyse the report. Some of their concerns, which he believed were also concerns raised by other member countries since Tonga are again highlighted in the (legal assessment) report. In view of the interventions by the CEOs of SPREP and SPC, he certainly agreed that more work needed to be done in clarifying positions on this particular matter. He also recorded his appreciation of the work done so far by the three CEOs particularly in analysing a way forward for the whole exercise.

38) Cook Islands was also mindful of what Mr Wiseman mentioned in terms of taking this forward bearing in mind the technical aspects of SOPAC, and how it was to be merged into SPC or SPREP. He noted the points made on the changes to accommodate the delivery of the programmes; and the changes in the recipient organisations' mandates to accommodate the programmes and the activities of SOPAC,

and also the 'business case' for the Leaders to decide, come August.

39) Cook Islands in also being mindful of the political aspects of this issue (as raised by Director of SPREP) and he thought that around the table everybody would know where they stood currently in terms of how Fiji was driving a process for when the issue came to the Leaders' meeting in August. In the progress report, it was quite obvious that [SOPAC] had done its part – and the Committee had done its part to accommodate the Leaders' decision, concluding that it was only fitting that SOPAC present a progress report on that progress to the Leaders.

40) New Zealand greeted the honourable ministers and distinguished representatives at the meeting and went on to submit that the presentations by Mr Wiseman and the CEOs of SPREP and SPC seemed to indicate that the Committee had a "pretty fundamental decision point" at this particular meeting. He noted that the kind of process model that the Committee had been following since the Council meeting in Tonga, could be termed a model of collaborative consultation among three CEOs with reference to this group, to come up with a path forward. At the second sub-committee meeting, he noted that the Committee was presented with a competitive collaborative model whereby potentially competing business plans would be put up with a preference for trying to come up with some compatibility between them. These business cases would then be subject to scrutiny by the Secretariat and independent advisers. As it sounded, and it would appear to be the general model that was being presented in the Chair's own progress report to the Forum; however, if there was movement to a different model; he was of the view that the shape of the report that needed to go to the Leaders would fundamentally change. New Zealand observed that the new model appeared to be one where (having said the endpoint of the immediate discussions among the three Secretariats had been reached) some independent advice was being sought to come up with what would be a preferred business plan rather than subjecting the two SPC and SPREP business plans to independent (separate) advice.

41) New Zealand recounted that another theme that appeared to be coming through from the comments now was that once the business case was in place, SOPAC would potentially need to refer back to Leaders for a political decision which would then guide the shape of the actual implementation. He proposed via the "rather long-winded statement" that a very fundamental decision needed to be made about how the SOPAC Committee reported to Leaders, and how to further move forward on the item.

42) New Zealand also referred to the immediate implication (of the change in process model) for the proposal that was submitted to Australia and New Zealand for funding by the three CEOs – that it also was affected in a very large way because that proposal was based upon the previous model of assisting trilateral discussions, elaborating and reviewing different business plans. It seemed that the proposal may be somewhat overtaken if a different path was being taken; hence a lot of what was contained in the report or what it was based on may no longer be relevant. New Zealand also indicated at this juncture that they would like to table correspondence associated with the proposal from the CEOs for reasons of transparency, so all the members of the sub-committee may cite the correspondence that was received by New Zealand and Australia on the 25th of June; and the joint reply indicating issues.

43) Fiji thanked the Chair and proceeded to place on record Fiji's appreciation for the Trilateral meetings that had taken place, especially noting the usefulness of having an independent chair of that process, which had contributed significantly to progressing the meetings among CEOs. He also extended appreciation to the three CEOs for bearing with the process and commended their ironing out of any sense of apprehension that might have been there in the beginning to work toward a positive outcome.

44) In reference to the comments made by New Zealand on the change in process model; Fiji requested clarification from the Secretariat, or even the Chair of the programme trilateral consultation group.

45) The Chair invited the Director of SOPAC to respond to the Fiji request for clarification.

46) SOPAC Director explained that the process that was presented to the Committee at its second meeting would still hold. What was being suggested however, was that to reach the preferred arrangement (in terms of rationalisation before absorption even though there had already been considerable work completed by way of the programme trilaterals as well as our CEO discussions); there needed to be some independent validation of what the preferred institutional arrangements would be that would be moved forward to become the absorption plans. She would suggest that those absorption plans still needed to be a collaborative effort between the Secretariats of SPC and SPREP, and the independent consultants that would be commissioned to undertake this work. Furthermore, she suggested that the due diligence on the actual absorption plan(s) developed would also require some level of independent validation to provide assurance to the SOPAC Council, so that in fact what resulted was improved service delivery in the receiving organisations, SPC and SPREP or SPC or SPREP. On the issue around "potential competitive collaborative models" – it was hoped that engagement of independent consultant(s) would remove the level of vested interests and commitments of Secretariat staff and provide an objective recommendation. She clarified that she saw the process as largely the same, and that SOPAC was not disengaging; and that simply there would be a milestone in the rationalisation process where a number of [validated] institutional arrangements would be presented to the Committee.

47) The Director, on the matter of whether this was a political or an operational decision, pointed out that the discussion and debate must be amongst members – members and not the heads of the three secretariats would decide the institutional arrangement of choice for the Leaders. She offered that there was much in the progress report that still held valid. Many of the discussions had already been agreed and without challenging New Zealand's intervention she thought that within the progress report was outlined a logical and sensible flow of what must go forward as the roadmap towards absorption. The suggestion was really more a matter of the CEOs contending that some level of independence at this juncture would be helpful to be able to reach the preferred institutional arrangements that was hoped would dispel any sort of competitiveness as the absorption plan(s) are developed. She was mentioning absorption plans because she thought that both SPC and SPREP would need absorption plans to present to their respective committees and councils; but that an absorption plan for the entire initiative would in fact be presented to the SOPAC Council, to see how all of the services and functions

of SOPAC would be received by SPC or SPREP; or SPC and SPREP.

48) The Chair invited the SPC CEO to comment.

49) Director-General SPC added to the SOPAC Director's explanation that SPC's perspective on two competitive cases had changed and that their understanding at this point was that SPREP would develop its case, SPC would develop theirs to present to members for a decision. He didn't think the process "changed" but rather "varied" with the suggestion that the independent assessment was to come up with the various options. His best-case scenario was first mentioned at the SCW02 – that once the options were clearly articulated on what was to go to SPREP and what was to go SPC, then the development of [absorption] plans would be based on those and would be complementary. So the suggested additional component was just to ensure objectivity in delineating what goes where – it may not actually come out with "this is what you do" – but it would definitely come out with a number of options we could have a look at.

50) Director-General SPC to further clarify, shared some of the progress in its work with SPBEA; because it followed a similar kind of an arrangement. The decisions on what would happen with SPC and SPBEA would actually take place in October this year – both governing councils would meet at that point and it was hoped to present the roadmap to both governing councils. Between now and October it was hoped that an assessment would be jointly commissioned by the agencies to look at the issue of absorption. This would include consideration of how the structure might be, the accountability, the reporting to countries; and how best to sustain the current freedom and services offered by SPBEA to members. A cost-benefit assessment would also be undertaken. Based on the outcome of both analyses, a joint paper would be prepared to present to both governing bodies. This is similar to the objectivity being suggested in the SCW process; where SPC and SPBEA were looking to commission outside help to prepare something that would jointly be presented to their respective councils.

51) Director SPREP wanted to be more concise and said that the consultancy that was being proposed would take over much of the role that the programme staff/managers had been doing. SPREP did not believe (as Mr Wiseman reported) that the programme people could take this any further; and it was their view that one of the compelling reasons for this development was the need to introduce an element of objectivity, because the programme people had their own views and their own interests and were not necessarily clearly objective on how to move forward however well intentioned they were.

52) The Chair invited Mr Garry Wiseman to comment.

53) Mr Wiseman added two points: Firstly, it had been clear to him from the discussions at the trilaterals that they had gone as far as they could and he thought that part of the reason for that was programme staff were not necessarily able to talk about the institutional and other aspects of absorption in either one of the organisations – that was a broader discussion that had to take place within the relevant organisations that were to absorb these new activities. Secondly, the other important aspect which needed to be looked at more carefully was the actual cost of the absorption to either organisation; because he had noted that the legal review referred to that aspect in some detail. What

the trilaterals focussed on was more on the rationalisation and less on the absorption. The absorption – having a decision made about where programmes might be absorbed into – implied that more detailed discussion needed to take place in those so-called new host organisations about how that absorption could most effectively be achieved.

54) Mr Wiseman also suggested another aspect on the way the absorption could be approached – it could be approached by suggesting a particular [cut-off] date when the absorption would be complete; or the approach adopted in the case of SPC taking on responsibility for the Regional Rights Resources Team (RRRT) (which was with UNDP) as an additional set of activities for SPC pending absorption into the programme in the future, i.e. more comprehensive absorption at a future date. In short, a staged approach or deadlined approach; and that was where the independent advice would be important.

55) Republic of Marshall Islands joined other members congratulating and thanking Mr Wiseman for the work accomplished for the programme managers. He also thanked the CEOs of SPREP and SPC for their report on how they saw the process progressing and the SOPAC Director and staff for organising the meeting. On hearing talk on costs, he recollected that he had requested an update on the costs of the whole RIF process. He was still interested in knowing how much had been spent from the beginning of the process to date.

56) Marshall Islands continued that he welcomed the suggestion by CEO SPC about narrowing the field of options and suggested that maybe SPC and SPREP (even the three CEOs) to develop the plan(s) for absorption could work with the programme managers to advance the narrowing down of options. He also thought it useful for the councils of the three regional organisations if a matrix of activities could be developed that included costs.

57) The Chair asked the Director of SOPAC to comment on the Marshall Islands' request for information on costing.

58) Director SOPAC tendered apologies to the representative of the Republic of the Marshall Islands for not having the requested information available for circulation at this meeting. She acknowledged that there had been some considerable in-kind resources from various senior staff from the three agencies as well as Mr Wiseman's time spent on the programme trilateral process. The three CEOs, outside of actually delivering on the respective organisational work programmes have also spent some attention and time on responding to paragraph 19b, inclusive of actual costs of travel and per diems of those non-residents of Suva who had to travel in. The CEOs have consciously taken advantage of other meetings to meet on the matter. She agreed to work with SPC and SPREP to pull some of those numbers together because it would be useful to see what level of in-kind as well as actual resources was being channelled into this initiative. In terms of how much had been spent since the RIF initiative started some years ago, the group would need to look to the Forum Secretariat (the agency that had led the initiative since it was first mentioned in the Pacific Plan) for those costs. She undertook to write to the Forum Secretariat on the Committee's behalf to request that information.

59) Cook Islands supported the view expressed by the Marshall Islands on the establishing of a matrix of activities of the process forward with costs. He thanked New Zealand for making available the proposal from the CEOs and the

reply; and expected to also cite the independent consultant's studies when they became available from SPC and SPREP on the options.

60) Cook Islands also expressed, with respect to one of SPREP CEO's comments on the different processes within the RIF exercise, whether it be rationalisation, absorption, or any other objective planning that would be undertaken – these would still require the clear articulation of the issues raised in the Facilitator's intervention, i.e. the legal, the financial and whatever other implications that could arise. From experiences in carrying out restructuring of the government back in 1996/97, Cook Islands was sure that every plan had associated costs that had to be articulated. The 'national example' in the Cook Islands of trying to create a ministry of works from various separate divisions of Government like the Survey, Building Control and others with their individual mandates in terms of being custodians of Government records couldn't be done without having the costs, the merits, the implications of what could happen and so whatever plan was formulated still had to have all the financial implications articulated. The legal, financial and other issues were considered right throughout the Cook Islands restructuring. The view the delegate was trying to emphasise was that to come to a good end outcome of the whole process, the articulation of those implication issues should not be sidelined and therefore concurred with the view from the Marshall Islands that a matrix of activities would be useful for members to keep track. The matrix of activities, he pointed out, would always end with a column for cost implication of any activity. While the matrix might contain issues dissected or articulated, the Cook Islands view was that the implications would also need to be considered throughout process (as raised in SCW02, SCW01 and now SCW03), whatever the title of the entity [roadmap] for implementation.

61) Cook Islands then turned to the overall issue of rationalisation in view of in-country consultations and international organisations, scientists, geologists, biologists and so forth. He deemed these groupings to be some of the most important people that should come to the table, and in fact should be among those to advise on the nature of the technicalities of each programme that SOPAC has – similarly for SPC and SPREP. With due respect to other representatives at the table, some member representatives were actually technical people and had a different approach to considering the issues surrounding the programme areas of SOPAC. Without really knowing what SPREP and SPC could actually deliver on; the Cook Islands was mindful that these would need to be articulated as viewed earlier by the two CEOs of the recipient organisations should the rationalisation and absorption take place. Logically, (and this had been raised in a couple of meetings) after absorption, the budget would increase; hence the discussions leading up to the Forum Meeting in August (in Niue) would evolve around what the [RIF] exercise was meant to achieve – whether it was to cut back on costs to allow a smoother transition into the other (with respect to absorption); or whether it was meant to increase the budget; or to decrease the capacity of costs involved without consideration of the technical attributes to the programme areas for the Pacific islands countries. Cook Islands had already tabled intervention which concluded that it would be small island states that stood to be deprived of technical advice should the new arrangements not work; hence the need to have the options articulated properly. These issues should also be part of the presentation to the SOPAC annual session in

Tuvalu; and respectively, the SPC and SPREP council meetings of 2008.

62) Papua New Guinea acknowledged the presence of the Honorable Deputy Prime Minister of Tuvalu and thanked the presenters: Mr Wiseman and the three CEOs. She thought the members got a good view of what had transpired during the programme trilateral discussions; and from what she could glean from the comments there were some difficulties. She emphasised a point made by Director SPREP on the diligence in articulating issues within the process itself. She suggested that if the three organisations were comfortable with one or two of the programmes that they could split or either get that absorbed into their own programmes; and further suggested that [the Committee] could go programme by programme (rather than having everything done together) and do the division on a trial basis to see if the programmes could be taken on board. The basis for this Papua New Guinea view was the concern that if everything went together at the same time, then some of the programmes of SOPAC could lose its significance. This was in line with concerns by the States on the services, as expressed at the other two meetings and emphasised that all along they wanted to be party to all the documentation from the meetings and she suggested that programme trilateral documents be circulated so members had a sense of what they would be missing out on or what they would benefit out of or even if some of the programmes would lose its significance on absorption. Papua New Guinea pointed out that the Leaders' meeting was just round the corner and the Leaders would want to have some confidence on how SOPAC went about the RIF process itself; hence she proposed that the group should just go programme by programme to see how things went. She was certain that the organisations had very capable programme officers and scientists who would be able to get a process going.

63) The Chair asked Mr Garry Wiseman whether he would like to comment.

64) Mr Wiseman was reluctant to comment at first; then ventured that he thought it was really a matter for the CEOs on whether going programme by programme were feasible or not. The approach had been the way the programme trilaterals were conducted – looking at each SOPAC programme and seeing how it could or not be absorbed by one or the other. An issue that kept coming up was the inter-relationship that had been developed among the programmes of SOPAC; hence if one of the programmes were to move to either SPC or SPREP, there would need to be careful analysis to ensure that link back to the programmes still with SOPAC was effective. He had begun his address to the Committee by noting that at the first trilateral, there was better appreciation by all attending of what the other organisations were doing; and this highlighted just a coordination/cooperation issue between the organisations. There was clearly room for more effective ways of communication across organisations, hence when SOPAC became part of another organisation there was a need to address that issue because of the interlinkages which obviously the programmes in SOPAC have developed within itself.

65) The Chair asked the Director of SOPAC to add to the discussion.

66) SOPAC Director while appreciating comments by members and Mr Wiseman deferred to the latter's view and cautioned members to think of rationalisation/absorption in a

slightly more comprehensive sense. She acknowledged that concerns expressed in discussions at various meetings so far have suggested nothing that was not insurmountable – but advised that the agreed process be followed on the way forward from rationalisation then onto absorption; and that the decision for absorption be made and then absorption actually following.

67) With respect to the New Zealand comments, SOPAC Director suggested that when the progress report was considered, she could advise the meeting how it could be amended to reflect the issues around the independent advice at the rationalisation level as well as the absorption level. On the non-competitiveness of the absorption plans; she suggested looking at that language to see that it fact emphasised and reflected that sentiment. On reflection she was of the view there was probably no need for any major redrafting to get the document to reflect the variations to the process that had already been discussed at length in previous Committee meetings.

68) SOPAC Director also confirmed hearing from the Marshall Islands and the Cook Islands some support toward developing a detailed matrix which outlined actions forward in terms of the rationalisation process for paragraph 19b; and more detailed costings associated with those actions. She thought it was an excellent suggestion and one that could tie back to the proposal for additional resources submitted to New Zealand and Australia. She went on to thank New Zealand and Australia for printing out the copies of the letters; saying that the quantity of copies she had prepared were probably not enough for the number in the room. There had also been reference to an outcomes document for the programme trilaterals; and she promised to have copies distributed to members by after morning tea.

69) SOPAC Director concluded by expressing interest in hearing initial comments (if any) on the legal assessment recently transmitted to members. She conveyed a suggestion from the consultant that the SOPAC legal assessment document be read in conjunction with the legal review under the Pangelinan RIF Review Report; which was the reason the two papers were distributed together – to understand the perspective that was covered in her legal opinion on the implications of dissolving or suspending SOPAC.

70) The Chair called for the morning tea break at this point.

71) The Chair outlined to members the plan to break for lunch at around 1:00 pm, and encouraged a focussed attempt on advancing the agenda so that there could be a short meeting after lunch or even a finish before lunch.

72) The Chair asked for initial comments on the legal assessments, before getting on with Item 6 of the agenda.

73) Marshall Islands requested the Secretariat to convey appreciation to the consultant that did the report, even though he hadn't had the time yet to review it thoroughly yet.

74) The Chair agreed to convey appreciation to the legal assessment consultant and invited the Deputy Prime Minister of Tuvalu to address the meeting.

75) The Deputy Prime Minister of Tuvalu thanked the Chair for the opportunity to make a statement. He thanked the Secretariat for the invitation and honour to participate

and represent the people of Tuvalu at such an important meeting (something their Suva Embassy had been undertaking on Government's behalf). He also thanked SPC, SPREP and all the delegates for the views expressed. He understood that the meeting was primarily to sort out a report to the Leaders' meeting in August. Tuvalu was supportive of this initiative, and he advised that it should be carefully noted that even though Leaders had resolved for SOPAC to be absorbed into SPC and SPREP, Tuvalu's concern was the time frame for the process. Looking back at the work undertaken by SOPAC in the past decade, Tuvalu confirmed and appreciated those contributions and didn't want to see those services handicapped, or not reaching the small island states in the Pacific. It was important that even though the Leaders' resolution was being honored, it should be appreciated that the difficult part of that resolution was what was being faced by this Committee. Tuvalu would like to see that a slow absorption process be put in place through the legal aspect of it as well as the technical part; and more importantly the resourcing aspect of the different services which had been provided by SOPAC in the past years. He was on record with Tuvalu's opinion on this matter, in that the timeframe had to be put at the forefront so that the services were not jeopardized by the speed and the urgent need to absorb the functions and roles of SOPAC into SPC as well as SPREP.

76) The Chair thanked the Deputy Prime Minister of Tuvalu for his comments, and noted his concern about the timeframe for the process, and that it should not adversely affect the services delivered to island states. Since he saw no further requests for the floor under this item he invited the Director of SOPAC to introduce the 'progress report to the Forum' and invited the representative of the Pacific Island Forum Secretariat (PIFS) to outline the reporting process for the Pacific Islands Forum Meeting on the RIF, after the Director's presentation.

Agenda Item 6 – Consideration of Progress Report to the Forum

77) SOPAC Director introduced the progress report, which had been circulated to Committee members on 10th July by e-mail, reminding delegates that all [RIF] SOPAC documentation were on the SOPAC website. She outlined the parts of the reports; highlighting that the emphasis was on the "work in progress"; hence the reason for a 'progress report' to Leaders. She reminded members that the progress report was pulled together on the basis of paragraph 19b, using the SOPAC Council Decision (November 2007), records, summary records and papers presented to the SCW01 and SCW02, and outcomes documents from the programme trilaterals.

78) The Chair thanked the Director for her introduction and asked the representative of the Forum Secretariat to please outline the reporting procedures for members.

79) The Representative of the PIFS informed the meeting that the process envisaged for reporting back on the RIF (generally) would be that the Chair of the Pacific Plan Action Committee, which is the other officials standing committee for the Forum Leaders; would prepare a report looking at all of the entire RIF process involving all three pillars that would be drafted next Monday and Tuesday (21-22 July) which is the convening of this meeting in Suva at the Secretariat with representatives from all Forum members. It was understood that there would be a letter

prepared by the PPAC or the Chair of PPAC to the Forum Chair (Tonga in 2008). The PIFS representative proposed that the SOPAC Chair letter be actually appended to the PPAC Chair's letter which was the overall report on the RIF – the idea being that one report went to the Forum Leaders this year and not two separate reports talking about parts of one process. He said the advantage of such a process was that it was presented to an officials committee of all members present and the letter would be drafted by all members. It was drafted by committee and approved by the membership in the Pacific Plan Action Committee, which was very similar in composition with the Forum Officials Committee. All Forum members would have representation on that [committee] and PIFS proposed that that letter was effectively a progress report to the Leaders through the PPAC Chair on the RIF process, which meant that members prepared a report and not the respective technical agencies. Hence the letter and report from the SCW process would be appended to the Chair of the Pacific Plan Action Committee's Letter, to ensure some consistency across the board and hopefully streamline some of the paper work.

80) The Chair thanked the PIFS representative and asked for comments on the procedures outlined before opening the discussion on the progress report.

81) Fiji thanked the PIFS for the explanation. The delegate admitted not having much of an institutional memory on how these things had been followed up before and asked if he could be informed of a similar case where a report on a Leaders' decision that affected SOPAC was needed.

82) The Chair asked the Director to respond to the Fiji request.

83) SOPAC Director reminded the meeting that as part of the SOPAC RIF decision taken in Tonga in November 2007, the SOPAC Chair undertook to inform the Chair of the Forum as well as the chairs of SPC and SPREP and our development partners on the decision that SOPAC Council took on the matter of paragraph 19b. During the first committee meeting there was some discussion around how that level of reporting would continue and the suggestion at the time was that the Chair of SOPAC would write to the Chair of the Forum to provide a report on SOPAC's response and the progress. She recalled the Chair outlining at the opening of this particular meeting that he had written to the SOPAC Council to seek approval to be able to write on behalf of SOPAC to the Forum Chair to provide advice on the progress that's been made by SOPAC with respect to responding to paragraph 19b. A commitment had been made at that first SCW meeting, but more importantly a commitment had been made by SOPAC to keep all partners in this initiative informed.

84) Marshall Islands wanted to be really clear in his mind on the process of reporting to the Leaders; and asked the PIFS for clarification – was it the Chair of PPAC or the Chair of FOC that was reporting to the Leaders?

85) In reply the PIFS representative stressed two things in how the matter went forward (1) the Forum Officials Committee was the Governing Council of the Forum Secretariat. (2) The RIF exercise was in effect a Pacific Plan process. The Forum Officials Committee with respect to greater regional integration and cooperation was the Pacific Plan Action Committee, which stood on the same footing as the FOC with respect to the Leaders' meeting; so it would be

appropriate for the SOPAC reports on RIF events to be tabled through the PPAC process because it was the mandate of the PPAC to actually oversight that process ultimately.

86) Marshall Islands expressed that the only problem with that was that members of the PPAC were not official representatives of countries whereas the members of FOC were official representatives of member countries.

87) The PIFS representative offered that at the Forum Secretariat it was assumed that representation provided at these meetings would be bona fide and representative of their country and they would be speaking on behalf of their countries, and their national positions. In practice, the members of FOC were the members of the PPAC, which suggested a degree of transition or of continuity in practice – these were more or less the same people.

88) Cook Islands having heard the clarification on the process; and acknowledging the views expressed by the Republic of the Marshall Islands and the Forum Secretariat tabled a motion that the progress report that was before the meeting in draft form be a confirmed report of the progress by this Committee through the SCW Chair (also the Chair of the SOPAC Governing Council) to the Leaders. Having heard the process outlined by the PIFS he enquired whether language would then be crafted from the SOPAC progress report to go into the PPAC report?

89) The PIFS representative clarified that the SOPAC report would be an attachment to the PPAC Chair's letter to the Forum Leaders, and therefore there was no intention to condense the [SOPAC] report. The PPAC Chair's letter to the Forum Leaders would note that this was part of the broader process.

90) Cook Islands thanked the PIFS and alluded to the next paper up, which was the cover letter by the SCW Chair, noting that the language as established according to the two papers would essentially constitute the SCW progress report. Cook Islands had no problems with how this was going to be reported as long as there was assurance me that there were no other amendments to the report beyond that undertaken by the SCW. He was mindful of what Marshall Islands was saying in that the Committee had actually established since SCW01 that members wanted to take ownership of the whole process right through to its destiny in terms of being a Committee as decided by SOPAC Council in Tonga in 2007. Hence the Cook Islands motion was that the draft progress report that was before the Committee be established as the final report from SCW to the Leaders.

91) The PIFS representative further clarified and reiterated that the SCW report was representative of one part of the RIF process, and advised that it would be viewed in that context. He reassured members that PIFS would not look to change the content of the report. The report was what the report was, and was presented by members around the table as representative of their national positions on this particular issue. He reminded the Committee that the SOPAC report and letter would be presented through the PPAC Chair's letter, as an attachment, which would ensure that it was tabled at the Leaders' Forum as being actually part of a broader process.

92) Australia wanted to clarify their own understanding of the discussion that had taken place before morning tea. They had noted some proposals coming forth and that the

Director had actually said that [the progress] report would need to be amended before it could be considered to go forward for tabling wherever. There had been a lot of discussion prior to morning tea, and there were some proposals made by Papua New Guinea and others because of Garry Wiseman's presentation on the trilateral meeting proposing a different process, in terms of business plans for the rationalisation of SOPAC. Given that [the different process] was currently not reflected in the progress report, Australia was seeking some clarity as to what was being proposed in terms of the progress report.

93) SOPAC Director recalled that she had suggested during her presentation of the report that the Committee consider some changes under the section pertaining to the roadmap for a way forward and the possible timelines; as well as some variations in language, particularly with relation with steps 1 and 3 relating to the rationalisation and then the absorption. She read some drafted language which she was submitting as a starting point for added language that reflected the discussions around independent advice *"Independent advice to examine and recommend optimum institutional arrangement options for rationalisation is being sought with the terms of reference for this initiative currently under development for both the rationalisation and then absorption plans to be realised."* – the text was for tacking on to the end of the second paragraph on page 6.

94) Director of SOPAC also pointed out that under step 3, which was development of plans for absorption, the second sentence of the first paragraph did refer to the fact that the CEO trilaterals had outlined their preference that the plans for absorption be non-competitive; and again a reference to the Terms of Reference framework being developed. The Director informed the meeting that the Terms of Reference for the rationalisation and the absorption were one and the same, and she expressed the hope that that would accommodate the variations that were being suggested by the programme trilaterals as well as the general comments from members at this meeting.

95) Australia apologised for taking the floor again and thanked the Director for the clarification. She commented that it was difficult not having the document in front of the meeting and that obviously some changes may impact other parts of the document. She expressed some confusion on the reading of para. 2 on page 6, *[It is agreed at various levels that that SOPAC's work programme must be kept "together" in one institution and thus not jeopardise the established practice in SOPAC of the production of "integrated solutions" across the programme of work. Indeed, the linkages and synergies should demonstrate new and a broader range of integrated solutions.]* and wondered whether it would be helpful if the Director would actually propose come clarity around the wording. It appeared to her [in the way it was worded] as contradictory to a process of rationalisation/absorption.

96) SOPAC Director explained that at Council, Committee as well as the trilateral levels (even in the presentation by Mr Garry Wiseman) there was convergence in the view of limiting fragmentation. The paragraph referred to did allude to some of the reasons why she believed Council members were so strong in their position on the issue of limiting fragmentation of SOPAC's work programme; or put another way 'maintaining the integrity of the SOPAC Work Programme'. She acceded that in terms of the actual language itself, the first sentence saying *SOPAC's work programme must be kept "together"* was perhaps too strong

a language and the Committee might consider softening the 'must'. She held the view that she had observed during discussions at committee, council as well as at trilateral levels of maintaining the integrity of SOPAC's work programme based on the modalities of delivery, which was providing integrated solutions.

97) Cook Islands expressed the wish to change the way he proposed his earlier motion. He re-proposed that the Committee endorse the draft with the new language that was being established by the Committee and sign off on it at the meeting; i.e. that all views on the report be expressed at the current meeting and Committee endorse the progress report to Leaders.

98) Director SPREP wanted to go on record for clarifying his understanding of the points made in the fifth paragraph under the subheading "Trilateral Meetings between SPC, SPREP, and SOPAC" – his understanding was that the bulleted items that mentioned SPREP would happen after the SPREP Council had been given a chance to decide on the whole issue of rationalisation. He clarified that that was the understanding when he agreed on behalf of the Secretariat; because there was no way that he could proceed without first getting a "Yes, go ahead" decision by the SPREP Council. He also corrected the reference to the timing of the SPREP meeting in the report from "late August" to "early September".

99) The Chair asked the Secretariat to note the SPREP comment on the correct dates for their meeting. He then recounted the motion moved by the Cook Islands to accept the Progress Report with the amendments proposed. He asked for comments on the motion.

100) The Republic of the Marshall Islands indicated they had no problem with accepting the Progress Report; and seconded the motion proposed by the Cook Islands.

101) The Director of SOPAC proposed some alternate wording to soften the piece of language in the paragraph referred to earlier by Australia. To replace the word "must" she proposed "should as much as possible"; i.e. that the integrity of SOPAC's work programme "should as much as possible" be maintained. [The document was at this time was being amended on overhead screen].

102) The Director (SOPAC) also proposed the following text "this would need to commence, following consideration of para. 19b (of the 2007 Communique) by the SPREP Council" to be added to the first bullet point referred to by the Director of SPREP.

103) Director SOPAC also proposed amending the reference to "observers" to "participating observers" in the paragraph on page 2 referring to the representatives of the Committee.

104) Fiji viewed that the replacement of the word "must" with "should ... " as proposed by Director SOPAC, to address the comment by Australia, removed that element of necessity that was reflected in the various commentaries on the issue. To retain a stronger element of necessity he suggested "as far as possible" or "as far as necessary" or something to that effect – his point being that the SOPAC Work Programme should "as much as possible" be kept together.

105) The Chair asked for further comments on the motion by the Cook Islands; which had been seconded by the Marshall Islands, along with the amended wording to the report. With no further comments from the floor and nods of approval from round the table, the Chair ruled that the Committee had approved the Progress Report, as amended.

106) The Chair moved the meeting to Item 7.

Agenda Item 7 – Consideration of Council Chair Covering Letter

107) The Director of SOPAC introduced the Chair's cover letter for the Progress Report to the Forum Leaders, [re]stating the undertaking to keep all stakeholders informed of the process underway. The beginning of the Letter outlined that SOPAC was responding positively to paragraph 19b, and provided the SOPAC Governing Council decision of November 2007 along with an outline of the due process it was following in realising its decision. Some background on the beginnings of the RIF initiative also featured in the letter. There was also an undertaking to continue its work on this RIF initiative leading up to its October session in Tuvalu as well as continuing to provide an update to the Forum as well as other stakeholders after the 37th SOPAC Meeting.

108) The Chair opened the floor for comments on the Covering Letter.

109) New Zealand took the floor with some degree of reluctance to point out that one of things that came through during earlier discussions of the day and was reflected in more direct terms in this covering letter was the presentation of the notion that "keeping [the] work programme entirely intact" was a Council decision. The delegate respectfully suggested to the Chair that there was no such Council decision. New Zealand certainly recognised it as a view expressed by a number of members round the table and that it had been a matter of contention at the Council meeting – but he suggested that the Committee avoid a presentation of this notion as being a consensus view of the SOPAC Council. Similarly, he contended that the way that it was presented in the letter would suggest that there was somewhat of a dichotomy, i.e. "either we keep everything together or else it gets fragmented up into little bits and pieces". New Zealand's preference in the whole exercise was to look at new ways of working together among the three organisations; and this didn't really fit the label of 'fragmentation'. On a smaller point here, the delegate wondered whether language on the second page of the letter reading "rather than spending so much of our limited resources on being driven to regional integration ..." was a little bit harsh in the first sentence of the third paragraph. The first part of the sentence was obviously very positive for identifying that such cooperation amongst the agencies was a positive and he suggested ending the sentence at ... "achieved through cooperation" – and then going on with the rest of it.

110) Marshall Islands thanked the Chair for sharing the contents of his letter, particularly for conveying the progress of the [SOPAC] work to the Chair of the Forum. He found it interesting that the report of the Eminent [Persons] Group was mentioned; because the EPG report, he understood, neither recommended that RIF proceed nor that rationalisation should take place. The EPG recommended that the Forum should be reviewed and that had not taken place. The Chair's letter mentioning this was a reflection of

what really had taken place, progressing to this point. He expressed the view that perhaps it would be an opportunity for other leaders to become more aware of the report from the Eminent Persons Group. There were a lot of things (like recommendations) in that report that seem to be neglected, which he said was unfortunate.

111) Cook Islands offered its view on the letter, which was that they were comfortable with it as stated and likewise the progress report itself. He tabled the motion that the Committee accept the letter as is. On New Zealand's intervention, Cook Islands suggested a rehashing of the particular language in question but he believed the proposed letter should be established as sufficient to cover the areas under discussion since the Tonga 2007 meeting and the SCW meetings to date.

112) The Chair repeated the motion proposed by the Cook Islands to approve the Covering Letter with some rewording to reflect the concerns expressed by New Zealand.

113) Fiji agreed with the intervention by the Cook Islands. They had no problems with the text as it stood; but in recognition of the comments by New Zealand, would consider alternative text before the Committee accepted the text in total.

114) SOPAC Director confirmed the point made by New Zealand that the conclusion (or the decision) by Council did not state the notion of keeping of the SOPAC Work Programme intact in the final decision of their RIF discussions in Tonga (2007). She went on to read Paragraph 246 of the Summary Record of the 36th Session, where the whole discussion around fragmentation led to the words in Paragraph 246 being part of the agreed record: *"The majority wanted to respond positively to the Leaders' decision; and generally agreed that the processes for rationalisation neither disrupt service delivery; nor subject SOPAC's current work programmes to fragmentation; and that the excellent science being mobilised through the STAR network must be retained as a highly valued resource for the region."*

115) The SOPAC Director therefore submitted to the meeting that in terms of addressing the New Zealand point that only the paragraph that talked about limiting fragmentation could be amended by lifting some of the wording out of paragraph 246 i.e. "the majority wanted ..." to make that particular paragraph more palatable and factually reflect what was discussed and agreed at the Council meeting in 2007.

116) The representative of the Forum Secretariat exercised his right as a 'participating' observer to comment on the protocol of reporting back to the Leaders' Forum. He apologised for rehashing [issues], but he found it peculiar that the 2004 Eminent Persons' Group Report was being invoked in the context of the current discussion. The work of the SCW as the PIFS understood it, was to follow up a Leaders' decision, as they related to the previous year's Communiqué. While he offered no solution he suggested that it would be prudent in the letter to draw some connection to the 2007 Communiqué, because the mandate of the SCW group was to respond to it. In terms of the broader review process, the SCW was neither looking across the entire RIF nor following up on previous EPG reports, the SCW was tasked to respond to the direction offered by Leaders in their 2007 Communiqué. He tabled the comment as something to

remember when going forward and adding value to anything that SCW might say to the Leaders in Niue.

117) Cook Islands thanked the representative of the Forum Secretariat for his intervention. He returned to the motion he tabled earlier and that he was comfortable with the language as established in the letter. He recalled that during an earlier intervention he had pointed out that in [planning] progress or any item that required changes, there was a need to recap on issues. Key to the current process was what the EPG report had established; and subsequently the creation of the Pacific Plan. The delegate was one who had had the opportunity to go through the Pacific Plan itself and with regard to the interventions, he thought it only appropriate that the views of delegates be reflected in the letter from the Chair of the SOPAC Committee and also how SCW intended to facilitate the process. He agreed that this would in future be a broader issue, hence he preferred that the views be tabled at this point. He supposed that the notes or the letter itself would read by the advisers accompanying Leaders to the Forum; and was sure it would bring about meaningful outcomes of the whole process.

118) The Chair drew attention to some (re)wording that the Director was having placed on a projector's screen with text borrowed from the Council meeting record for 2007, para. 246.

119) The Director of SPREP proposed slight amendments to the paragraph beginning – "In my humble opinion" on page 2 of the letter; and the insertion of the sentence – "I hasten to commend to the Forum Leaders to encourage this along" – at the end it. These changes were accepted.

120) The Chair asked if there any further amendments to the recast text projected overhead.

121) Fiji corrected the placement of the additional text suggested by the Director of SPREP.

122) The Chair saw no further requests to comment and ruled that the Committee had approved the Cover Letter to the Progress Report.

123) The Chair also saw that the remaining agenda items were minor ones so he recommended forging ahead to complete the meeting agenda by lunch time.

Agenda Item 8 – Date of Next Meeting, Update on Timelines and Constraints

124) The SOPAC Director informed the Committee that due to the Forum Leaders' meeting date being confirmed significantly earlier than normal, for the middle of August that there would be somewhat of a yawning gap between SCW03 and the end-of-October SOPAC annual meeting. The Director believed it prudent that the Committee hold a fourth meeting (SCW04) before the 37th Session of SOPAC Council and suggested a time following the Leaders' meeting in Niue so the Committee could look at the 2008 Leaders' Communiqué and any further communications that the Leaders may have for SOPAC, with respect to para.19b [of 2007]. That timing was also just in advance of the SPREP meeting, hence a good sense of what was going forward for consideration at the SPREP meeting could be got. The SPC meeting was a week in advance of the SOPAC session so supplementary outcome papers from out of the SPREP and SPC meetings would feature at the SOPAC Session. It

would also provide an opportunity for discussion on the legal assessment just received by the Committee; and by then it was also hoped a finalised terms of reference for the rationalisation and then absorption initiative that SPC and SPREP would need to undertake over the next months would be available. While an actual date was not set at this point, the suggestion was to hold it during late August/early September in Suva.

125) The Chair requested comments and ruled the proposal for the fourth meeting (SCW04), late August/early September, noted.

126) Marshall Islands wondered at the usefulness of actually meeting after the SPREP Council meeting, given it would be the first time the SPREP Council considered para. 19b of the 2007 Communiqué.

127) The Director of SOPAC informed the meeting that if a meeting after the SPREP Council was preferable to members that it would have to go ahead without her as she was hoping to take some annual leave immediately after the SPREP meeting and before the SOPAC Council meeting.

128) The Chair thanked the Director for her explanations regarding the proposed timing for SCW04. He ventured that perhaps it would be very helpful to have the Director present at the SCW04 meeting; hence probably appropriate to hold it at a timing which suited her; as suggested in the period late August/early September. He asked that the Committee confirm the general timing and the Committee would be informed duly, once the date was confirmed.

Agenda Item 9 – Other Business

129) The Chair called for other business matters to be brought up.

130) France expressed appreciation for their invitation to be participating observer at SCW meetings. He directed a question at the [SPC CEO] Mr Rodgers on the issue of the differing memberships of SPREP and SPC (having common membership) compared to SOPAC. France was not a member of SOPAC; but was a member of SPC [and SPREP]. If SOPAC went into SPC entirely, or not entirely; he enquired after the consequences (legal and otherwise) and wondered if that could be indicated somewhere in the report.

He wanted a quick answer as to whether someone was studying that issue.

131) The Director-General of SPC replied that at the previous year's SPC conference, the position by the French Government was supportive of working towards the implementation of the Communiqué and that was communicated at the conference. France had undertaken a legal assessment themselves, accepting the report that was presented. It was therefore supposed that France supported going through with the process and to deal with other issues when they arose.

132) The US delegate echoed the thanks expressed by the French Republic for the kind invitation to participate in observing the SCW process. The US was in the same situation as France in being a member of SPREP and SPC, but not of SOPAC nor was it a participant in the Forum where this decision was taken. Going forward the US did have a number of concerns expressed as a request for a legal response. US attorneys had evaluated the response to those questions and came up with still more questions that needed answers. The delegate remarked that both SPREP and SPC had their own internal processes that would have to be respected as this regional and institutional [re]structuring goes forward.

133) The Chair on seeing no other business being put forward, moved to close the meeting.

10 Closing

134) The Chair again thanked all the participants sincerely for attending the meeting today. He believed good progress was made. He took the opportunity to especially mention the attendance by the Deputy Prime Minister of Tuvalu and thanked him for being here. He looked forward to the next Council meeting that would be held in Tuvalu later this year.

135) The Chair concluded by thanking all those who had come from overseas to attend the meeting, wishing them a safe trip back and expressed the wish to see everyone back at the next meeting.

136) The meeting closed at 1:24 pm.

FIRST DRAFT MINUTES OF THE FOURTH SCW MEETING²

Agenda Item 1 – Welcome

The meeting was called to order around 10:35 am.

Chair read his opening remarks, attached in full to the SCW04 meeting record (Annex 2).

Agenda Item 2 – Adoption of Agenda

The Provisional Agenda was adopted (Annex 3).

Agenda Item 3 – Minutes of SCW3

The draft minutes and summary record of the Committee's third meeting had been circulated to Committee members on the 7th of September and the **Chair** proposed they be accepted subject to any accepted amendments from members.

Chair took the Committee's silence as agreement to adopt the records of its third meeting.

4 Matters Arising

Chair invited the Director to introduce the item.

Director brought up an outstanding matter from the two previous Committee meetings, which was the legal assessment. She suggested the Committee have some discussion on it at this meeting as it was the first opportunity for such a discussion to take place. Alternatively, she suggested that the Committee might prefer to defer all discussions on the legal assessment report to the Council meeting in Funafuti.

Chair invited comments from the Committee members.

Australia asked for a quick summary of the findings of the legal report for the information of the participants present.

Director explained that an independent assessment had been completed by a legal expert whose nationality is Papua New Guinean – Ms Masio Nidung – according to a terms of reference that had been outlined to her in terms of addressing certain points that included an examination of the legal obligations – if any – that the SOPAC Council had to the Pacific Islands Forum; and thereby any requirement for a response from the SOPAC Council to the Pacific Islands Forum Leaders Communiqué. That particular aspect of the work suggested that there were no legal agreements between the SOPAC Agreement and that of the Forum; however, practice suggested that SOPAC had always responded to Leaders' communiqués in a positive way

hence why should [the reaction to the 2007 Communiqué] be any different.

The **Director** went on at some length on the aspect of the assessment that looked at Article 16, which was to clarify the various processes around the dissolution or suspension of the Commission, and the implications of either in terms of what options there were; what processes needed to be carried out by members to satisfy the legal requirements of the options when invoking the Article.

The third aspect of the assessment was to examine the treaties and instruments that govern SPC and SPREP; and to comment on the possible legal implications for SPC and for SPREP of absorbing any or all of SOPAC's work programmes and functions.

The fourth and final was a catch-all requirement where the consultant was to comment on any other legal issues that she deemed relevant to the assessment.

The report also examined the agreement establishing the Pacific Islands Forum in 2000, commenting on some of the gaps in the agreement that the study advised member states to consider relooking at it in future to review and refine it. The report noted that the Forum Agreement of 2005 had addressed the relationships between the Forum and the various other organisations that were part of CROP. The study also looked at other organisations from outside the region, such as CARICOM – regional bodies similar to the Forum and how they treated their relationships with regional agencies within their regions and what accepted practice existed.

The consultant also looked at how international legal instruments could be used to deal with aspects of the legal processes for dissolution or suspension where the SOPAC Agreement was silent. The Committee noted that while the SOPAC Agreement mentions that it needed a 2/3rd of members to invoke suspension or dissolution of the Agreement; it was not prescriptive in terms of implementation. Various operative articles of the Vienna Convention were looked at in terms of a process that may be adopted for use by members. The consultant also examined options to revive the organisation after suspension.

The Committee heard that the consultant viewed the deadline of 2009 as being somewhat ambitious because of the whole issue around the ratification by 2/3rds of the members and the processes that would be required at national level. Member states needed to be aware that after the decision was taken that they would need to actually be quite proactive at national level depending on which option was agreed to.

The report also examined what would happen to the assets and obligations of the Commission and that as she had mentioned in previous meetings that there would need to be some analysis carried out on SOPAC's current contracts or agreements with development and/or donor partners as well as with staff. There would be a need to actually start to look

² Yet to be cleared and adopted by SCW; highlighted sections to be verified by speaker

at some of the issues around redundancy arrangements and so forth.

The report also looked at the [possible] eventuality that 2/3rds of the members were not in a position to ratify by the next session; so that the Commission was NOT able to decide on the date of dissolution or suspension and looks at some of the options that would need to be considered to manage that scenario.

She apologised for not being a bit more logical in providing her summary and commended the study to members expressing the hope that some examination of it would occur in all capitals before the discussion in Council in Funafuti.

Australia thanked the Director for her summation and remarked that it was obviously a big ask to seek a summary of a legal document just on the spot. Thinking ahead to the Council meeting and taking into account other matters that would come into consideration by the time of the Council meeting e.g. the outcome of the SPREP meeting, which had as one of its recommendations that there would again need to be a legal study done. Australia suggested that this should be kept in mind when considering the legal issue. Further, Australia suggested that it would be useful in the paper being prepared for the Governing Council if there was a distillation for members of the key decisions that have to be made relating to either dissolution or suspension i.e. what were the serious impediments to either; and would happened to the assets either way? She asked that clear statements be made in the paper the Director prepared to introduce this item to Council on what members had to concentrate on back in capitals.

Director agreed and informed the Committee that the consultant stood ready to put together an executive summary of her assessment, to clarify some of the key legal points of her opinion and that the summary would actually travel with the report.

New Zealand said he wasn't aware that the legal opinion would be discussed at the meeting; as it had been some weeks since he'd read it. He pointed out one of the difficulties they had with the issue, which was related to Australia's point about the SPREP decision. He described the SOPAC commissioned independent legal opinion as a "unilateral opinion in a trilateral process" so that missing from what was before the Committee was any kind of assessment response opinion from the other organisations involved. Similarly, the Committee was not shown a terms of reference for all the legal assessments that have been commissioned that the other two organisations did – hence he was probably referring to due diligence at some stage. The SOPAC opinion has not been subjected to any kind of due diligence from other parties; which New Zealand views would be useful to have for a clear decision at the next session.

Another observation made by **New Zealand** was that a treaty or an international law was there to give shape and substance to the intentions of countries; hence if countries came to a decision about the institutional infrastructure of an entity there shouldn't be a situation where the cart was before the horse, or the tail was wagging the dog – he appreciated that members would indeed have to be guided on the legal considerations, but they were there to give formal intent to [a collective] decision rather than the other

Suva

Tuesday, 13 January 2009

way round – i.e. that members were not to be slaves to legal considerations.

New Zealand also quickly noted in reference to a point made by the Director on timelines that there was perhaps some confusion between the timelines in the Leaders' decision for having a finalisation of the path forward (what's to be done) as opposed to having everything tied up and [fully implemented]. Obviously things like various staff contracts and the like may take a while to actually move over to the change, which he stressed was a different time frame from the Forum decision (2008).

Chair invited the Secretariat to comment on the points expressed by New Zealand.

Director proposed that she send a note to her counterparts in SPC and SPREP to ask them for their comments on the SOPAC Legal Assessment report, which was on the RIF page of the SOPAC website. She agreed with the New Zealand view that this was an opinion which had SOPAC as the focus. She acknowledged that the actual legal assessment and implications forward would, by necessity, have to involve SPREP and SPC as well; and submitted that this provided the basis for a fairly comprehensive legal work to be done and its implications with SPREP and SPC.

Chair moved the meeting to Agenda Item 6 which is the consideration of the SPREP Council on the RIF. He invited the Director to introduce it.

5 Consideration of Forum Communiqué on the RIF

Director noted that the Chair skipped over the Forum Communiqué on the RIF (Item 5) and brought the meeting back to it.

Director presented the Communiqué out of Niue and observed that Para. 20 was quite consistent with the SCW progress report to the Forum that was agreed at the third (SCW) committee meeting and that there was no reason to prevent all work to be completed in time for implementation by 1 January 2010. She also said that the Para. 20 language actually presented some timeline constraint issues and she suggested that the Chair seek views on whether to discuss them at this stage or later on under Item 7.

Chair invited the meeting for comments and took the lack of it to mean that discussion would occur under Agenda Item 7.

6 Consideration of SPREP Council on the RIF

Chair moved the meeting to Agenda Item 6, and invited the Director to introduce it.

Director introduced the provisional version of the revised recommendations of the RIF agenda item discussed at the early September (2008) meeting of the SPREP Council. She informed the Committee that the paper before it was not the final resolution that came out of the SPREP Council meeting; but it was the best version that she could share at this meeting. She suggested that the meeting take a few

moments to read the recommendations (given that the paper had just been circulated on arrival at the meeting), before having discussions.

Chair allowed a few minutes for members to read through the SPREP recommendations and invited them to make comments when they were ready. Since no one commented **Chair** informed members that there was further opportunity under Agenda Item 8 to make comments.

7 Timelines and Constraints

Chair invited the Director to introduce the item and paper.

Director apologised for making the suggestion under the last agenda item to talk about timeline constraints. She alluded to parts b and c of the Forum Communiqué (2008) Para. 20 as being where some clarity around constraints to timelines with respect to the provisional timelines of the various governing body meetings was needed. She presented her thoughts that in order to avoid this being a constraint the following sequencing of 2009 meetings would be necessary: particularly the Forum to convene in 2009 following the SPREP, SOPAC and SPC governing body meetings. She further suggested that in order to allow for maximum time for the necessary work to be completed for all of these meetings, she saw sense in holding all of the meetings in the latter part of 2009; with SOPAC holding its meeting after that of SPREP and SPC; as they would need to have considered the complementary absorption and/or implementation plans and have decided on these. She observed that outside of the SOPAC process there would certainly need to be some considerable effort on the part of the receiving organisations; with very close and continued support from SOPAC to complete the necessary work in the timeframe that has been given. In discussions she'd had with her SPC counterpart on the sequencing of meetings they had a suggestion that if SPREP would/could hold its meeting about exactly this time next year (in Samoa); then SPC CRGA could confer in Tonga around September 22nd to the 30th (dates provided by the SPC CEO). She submitted that SOPAC would need to work closely with Vanuatu to look at a date after the SPC dates, for example 1 through 9 of October 2009. While the CEOs were not being prescriptive, this meant then that the Forum had the opportunity to meet any time after 13th of October; as it would be useful to allow as much time as possible for governing councils to consider this important matter with some level of confidence.

Chair invited members to comment on the proposal by the Director.

The **PIFS representative** noted the timing suggested and confirmed this would be considered during their planning when holding discussions with Australia over the next twelve months.

Australia commented that Forum members accommodated the special request from the hosting country for the special timing in 2008. She confirmed this was something that would obviously need consideration in light of a range of issues; and that they would certainly convey to Canberra this issue on when to convene the meeting but it was difficult at this stage to see whether it could be accommodated.

8 Committee Report to Council, and recommendations for the way forward

Chair moved the meeting to Agenda Item 8 – Committee report to council and recommendations for the way forward.

Director alluded to the opening remarks by the Chair where it was suggested that the [SCW] Committee's report to Council could include the progress report that was agreed at the third committee meeting to the Forum. She went on to give an outline of the other parts of the SCW Report to Council. The agreed summary records of the first three committee meetings as well as the draft summary record of the fourth committee meeting (this meeting) would be attached. Additionally, the covering letter of the Chair of SOPAC to the Forum Chair could also be attached. She suggested that the report have its own short executive summary of no more than one or two pages; and that the executive summary should include the recommendations for the way forward to be discussed at this (fourth) committee meeting. She offered that the summary be prepared by herself in conjunction with the Chair. The main task for this meeting was the drafting of recommendations on the way forward which would guide the SOPAC Council towards its decision when they meet in Funafuti. An important component of the report would be to circulate the draft legal assessment. She noted that an executive summary should travel with the report to enable Council to cut through to the main points in terms of the legal opinion. She also offered that in light of the recent decision of the SPREP Council as well as the 2008 Forum Communiqué; the Committee might wish to reflect on [language] from these to see what elements may be relevant in reaching a recommendation (or recommendations) to Council for a way forward. In addition the Committee may wish to reflect on the work that it has already completed; and whether it has a continued role to play in order to maintain the ownership of the process to rationalise the services of SOPAC into either SPREP or SPC or SPREP and SPC; and to maintain the integrity of the SOPAC work programme; or whether this maybe conducted through other mechanisms such as comprehensive and regular briefings to Suva-based members as well as circulars and e-mail updates to all members. The Director left off at that point so that the Committee could provide some comment and guidance. She repeated her suggestion to reflect on the two newest decisions of sibling agencies: i.e. that 2008 Forum Communiqué, paragraph 20; and the resolution of SPREP Council.

Chair thanked the Director opened the floor for comments. He trusted that the Committee would be able to agree to a recommendation or recommendations that would be part of its report to Council.

Fiji firstly pointed out that there was one recommendation of the SPREP Council that was not part of this paper circulated. It is the one of the legal implications [????.....]. Before participating in detailed discussion Fiji clarified for the benefit of everyone around the table it's position since the Forum 2008 decision. It's position up to the time of the Forum meeting was well known among members and the outcome at the Forum meeting though not one that Fiji would have preferred was nonetheless the decision that was made and Fiji would move with the consensus on this. While Fiji also took this position at the

recent SPREP meeting, they did qualify that their view on the concept of ownership of how this was taken forward had not changed. Fiji preferred taking as much ownership of the way forward as possible; and one of the mechanisms that allows them to continue this ownership is through the Committee process. At the SPREP meeting Fiji would have preferred something along similar lines as SCW but that was not the consensus at SPREP; and the SPREP decision was [...] [the delegate attempts a formulation of the missing recommendation from memory and his own notes from the SPREP meeting]. Greater collaboration of councils from now on until [the end] ... that each of the governing councils be informed and that members from each governing council comments Fiji thinks that it would be a useful tool and urged that Council to reflect on this for later on next month at the SOPAC meeting. Not only would the language be consistent with the terms of reference; and there was also opportunity to not only be informed but to provide feedback to the planning process, so that by the time we do get to the meeting sometime in the middle of next year there were no surprise developments. [check this couldn't hear speaker]

Papua New Guinea supported Fiji's view, adding that Papua New Guinea feels strongly that the three CEOs should meet on regular basis now, given the timeline that they have to work to due to the decision from the Leaders. Papua New Guinea wants the three CEOs to work together to speed up the process and as expressed by Fiji, interaction among each of the governing councils should increase because of the timelines and activities that will increase from now on.

Federated States of Micronesia took the opportunity to thank the Director and those that were in Pohnpei (like the Fiji delegate). He hoped that they had enjoyed Pohnpei during their stay to attend the SPREP meeting. Additionally he expressed the point that it should be made clear in the recommendations that this should demonstrate improved service delivery and effectiveness, which should continue to be the underlying basis for the RIF.

Marshall Islands [just entered the room] apologised for being late, as he was attending to their President who was in Fiji to be installed as the Chancellor for the University.

Australia recorded that they had not been at the SPREP meeting and were yet to get a full report. She wondered if Fiji would be able to provide a copy of the extract of the 'missing' resolution.

Fiji didn't have anything official in writing as he only had his jottings and he asked if his best recollection would be good enough for Australia's purposes. [While re-attempting a formulation New Zealand drew attention to some text he had in his possession]

New Zealand read from a piece of paper the text "directed the Director of SPREP to propose to the other CEOs to provide a joint quarterly update on progress and to seek and share the views of, and give due consideration to all members of SPREP, SPC and SOPAC" – and asked Fiji if that sounded like the recommendation he had been referring to.

Suva

Tuesday, 13 January 2009

[Copies of the text were organised and distributed].

Fiji replied in the affirmative and sought the views of fellow members on whether their understanding was that this progress reporting was specific to the re-organisation of the regional institutional framework; so that it was a special reporting activity to be introduced. Fiji wanted this to be made 'more clearer'. They were sure the issue [of progress reporting] would be revisited not only in the SOPAC Council but also at the SPC CRGA. He understood that the SPREP Director had his own monthly reports to the SPREP Governing Council but that this reporting mechanism was separate and very specific progress reporting and not just an item in the standard reporting of the three organisations' directors to their council members.

Australia sought clarification from Fiji, that the progress reporting he referred to related just to these three organisations – SOPAC, SPC and SPREP.

Fiji confirmed his meaning and explained that the reporting that Fiji would like to advance from the three directors (of SOPAC, SPC and SPREP) on this should not be part of a general type of reporting arrangement but be specific to the subject [of the RIF].

Marshall Islands informed that all members around the table know that the Leaders have a keen interest on this issue and therefore would probably like to know what was really going on. He queried whether there was a way to ensure that Leaders knew how the issue was progressing, and submitted the idea of sending progress report(s) to capitals and to ensure that these got to the Leaders and copied to the Forum. He suggested that SOPAC could perhaps take that working arrangement, and the other two organisations could maybe follow suit.

New Zealand endorsed the pros and cons of what Fiji and Papua New Guinea were saying on reporting; but that meant work needed to be paced to meet the deadlines and timelines that have been set out. He observed that one thing that came through from the Forum Communiqué and the draft SPREP communiqué was the sense that the organisations needed to work closely and collaboratively on this – for instance in the SPREP recommendations the words ... directing the Director of SPREP to work with the CEOs of SOPAC and SPC to "jointly commission an independent analysis of the legal, financial, administrative, and programmatic implications". He acknowledged the small difficulty at this meeting of not having the other two CEOs of those other organisations present as they had been at previous sub-Committee meetings. He wondered whether the process that had been discussed at the second and the third meetings involving business cases and due diligence might need to be modified somehow in light of some of the decisions being taken now; whether some kind of decision could be taken at this meeting on how to progress.

Chair asked the Director to comment on the views expressed.

Director reminded the Committee of the roadmap for a way forward (with possible timelines) that she had presented at the second committee meeting. That roadmap was reflected in the progress report to the Forum. In it was agreement between the three CEOs that there would need to be some independent support to 1) examine or agree on the institutional arrangements and then would follow stage 2) which would be an absorption plan, which actually highlighted complementarity between the services and functions of SOPAC into SPREP and then services and functions of SOPAC into SPC. Also within that was acknowledgement that she would need to work very closely with those two CEOs in supporting them to develop their implementation plans (or the Implementation Plan) that would have complementary components. She recalled some of the many things discussed at the SPREP Council meeting, and she reported that there was acceptance around the need for the SOPAC Council to look at the absorption plan and conduct some levels of due diligence to make sure that they were very confident that the receiving organisations would not only receive the services that SOPAC currently deliver but that those services would not only endure but would actually be improved under the new institutional arrangements. She observed that in terms of the actual way forward as suggested at the Committee's second meeting that all of the key activities that need to be undertaken between now and May of 2009 still hold; and that what was key was that the absorption plans are non-competitive; that they are complementary and that they would be completed with the cooperation and collaboration of two CEOs of the receiving organisations and herself.

Fiji concurred with New Zealand that in retrospect since the working group began its work and certainly in the last few months he had observed the collaborative approach as a useful way forward to present to Council in October [and also in view of the decision in Niue] – the timelines set there and the requirements for the three CEOs to now take the ball. In fact the whole idea of working collaboratively would take a lot of steam out of what was set in motion by this matter.

Australia commented that she wasn't quite sure whether the Director was making a comment on the process between now and May – given that SOPAC obviously recognised that meeting as mentioned in the SPREP resolution. In the way that the SPREP resolution had been put together and given the mention of having a meeting in May of all representatives of each member country of the organisations (the three organisations) Australia raised the question as to what due diligence the Director had in mind for SOPAC to do in advance of the May meeting.

Director drew attention to what Australia was referring to as bullet point 7 of the SPREP decision as in the circulated paper [“I direct the Director of SPREP to propose to the other CEOs that the proposed arrangements and analysis of implications are circulated to all member focal points of SPREP, SPC and SOPAC with an invitation for a representative from each Member country to attend a meeting of all countries and territories for consideration by May 2009]. On the matter of due diligence the Director said that within the SPREP Council there was recognition and acknowledgement that the implementation plan would in fact be the plan (or the plans) for receiving the services and functions of SOPAC into SPREP and SPC. In reference to

due diligence, a lot of discussion had not only occurred within this Committee but also in November at the Council meeting in Tonga. Her recollection was that the main concern was around making sure that the services of SOPAC were not lost; or indeed compromised as a result of the RIF initiative. The suggestion that she was making with respect to diligence is to have a look at the implementation plans as an organisation SOPAC and feeling quite confident that the services that are transiting out of SOPAC into the receiving organisations of SPREP and SPC in fact would not only be delivered but they would in fact be improved under the new institutional arrangements. Therefore that validation would allow then for a decision that could be made with confidence by the SOPAC Council. The Director continued that it was really up to the members obviously to decide on that and as to whether they would look at the implementation plans and accept those as read or that they would like some opportunity to look at the implementation plan and feel that level of confidence that where the services were going would be in fact offer them better services in the immediate to long term.

Australia expressed some curiosity about the process; noting the terms mentioned by the Director – that this should be a non-competitive process and be collaborative – hence her concern that good care be taken not to set up a process that would lead to a competitive and not-so collaborative and collegiate approach between the organisations. She placed that on the table as a point of caution seeing that there was quite a timeline to work towards and the only way to go towards it was through the non-competitive, collaborative approach. She thought if the Committee were to decide that the recommendations that the SPREP Council have adopted are then it seemed that the May meeting was fairly important as a sort of overall quality assurance exercise for members. **[Australia to check, as not sure]**

Marshall Islands sought the view of the Director (in the absence of the other two directors) on whether they were just going to carry on more of the same sort of work and planning or whether there was something else in light of the timelines that the Leaders have required for all three to work towards. He was curious to know how the three intended to advance, and whether there was a different sort of plan to carry out what they're supposed to do given the dates that have been set.

Director confirmed having had discussions with both her counterparts and passed on their apologies for not being present. The SPREP CEO was on medical leave and the SPC CEO was preoccupied with trying to get papers out for the CRGA meeting. After considering the 2008 Forum Communiqué Paragraph 20 decision the three CEOs did agree that once their Council meetings were out of the way they would meet immediately to start to finalise the institutional arrangements because a lot of the work would be around detailing and outlining the implementation plan and also the absorption plans. She reported that they had undertaken to have a meeting immediately after the SOPAC Council meeting to start to progress work because she certainly realised that they would have their work cut out for them to meet the May 2009 meeting timeline given that they had to also remain focussed on delivering work programmes. Both her counterparts certainly realise the amount of work that would be required and a lot of it would

rest on them being allowed to commission some level of independent support to help them get there.

Marshall Islands clarified that the reason he raised that question was whether there would be some sort of plan or work programme presented at the Council meeting for endorsement, saying that members needed to be aware of what would come up at the meeting.

Director reminded the Committee that the three CEOs did approach New Zealand and Australia with a request for additional resources to be able to see their way through this. The three had discussed that matter and decided to wait until the conclusions of their Council meetings to put together then a more detailed proposal to Australia and New Zealand or other members of the respective organisations such as France for the resources that could be bought to bear to allow the CEOs to (1) complete the work that will be required; (2) hold the meeting in May 2009, which would certainly come at some cost; and obviously any other aspects that would need to be undertaken for Councils to make their decisions.

France expressed appreciation for the proposal(s) and enquired if there was some sort of host and location for the May meeting (had those details been decided yet?).

Director was not sure whether the SPREP Council had thought that far ahead in terms of who would organise the meeting and who would pay for it and other details like that. She observed that SPREP certainly acknowledged the fact that they do not have any buffer within their budget to allow for the RIF and so additional resources would definitely be needed to be secured to allow SPREP to engage in a very constructive way in the whole RIF process; and in realising their decision and hopefully the decision of the Forum. Unfortunately she was not in a position to inform the meeting about details of the May (2009) meeting. On the issue around working cooperatively and collaboratively, this would certainly be one where she thought the CEOs would need to sit down and to work out the mechanics of the logistics of the meeting; and to also make sure that there was good representation at the table of all of the members of the three organisations so therefore it would definitely need to include metropolitan members obviously in SPREP and the territories, in addition to the Forum member countries. She apologised for not being able to elaborate more than what was before the meeting and she offered that the key words were to be cooperative and collaborative throughout the process in moving forward.

Chair asked the Director to give some way forward given the discussion had so far; to give some direction on where to go from now?

Director noted that she had not actually circulated any recommendations for the way forward; and she had suggested in her opening comments for this agenda item that the Committee may want to reflect on the Forum Communiqué as well as the SPREP Council decision [for a way forward]. She thanked New Zealand for the additional words which finalised the SPREP Council resolution on the RIF. In terms of the proposed recommendations for this Committee to put forward to Council; she suggested that the meeting look at paragraph 2 of the [SPREP

Suva

Tuesday, 13 January 2009

recommendations] and began amending the text in paragraph 2 of paper SCW04/6.0 "The Council is invited to consider the report and recommendations from ..."

Australia interjected at this point and requested a pointer as to what was being followed by the Director.

Director replied that she was using the point 2 of the SPREP decision and trying to offer a way forward. She continued in this vein while scribbling notes and providing some rewording to the base paragraph, which she clarified was her trying to offer some mechanism – "so that first part inviting Council to consider the progress report and recommendations on the way forward of the Committee to Council as well as related reports" ...

Australia enquired as to what the Director meant by the "progress report".

Director clarified that the progress report to be from this Committee to Council along with the recommendations and she had suggested earlier perhaps having a one or two-page executive summary to include these recommendations that she was proposing at this point.

[What occurred at this juncture was that the Director redrafted a set of recommendations for the SCW using the SPREP revised recommendations as base, and taking into account points made during the earlier part of the meeting discussions by members. The following text was formulated during this exercise

Recommendations

Council is invited

- to consider the progress report and recommendations on the way forward of the Committee to Council as well as related reports.
- take into account the 2007 and 2008 Forum Leaders' decisions on the RIF Review (attached)
- take into account the 2008 the SPREP and SPC governing body decisions on the RIF (attached)
- consider the opportunities to strengthen regional services that will be provided by rationalisation of SOPAC functions into SPREP and SPC
- recognise the need to consider the legal, financial, administrative, programmatic implications for absorbing SOPAC and/or its functions, in whole or in part, into SPREP and SPC
- direct the Director of SOPAC to engage collaboratively with CEOs of SPREP and SPC immediately following the 2008 SOPAC Council Meeting to determine and jointly identify proposed institutional arrangements based on an analysis of:

- a) synergies and linkages between programmes
 - b) optimising service delivery
 - c) organisational capacities
 - d) maintaining the integrity of the applied science and technical services
- SOPAC to agree that CEOs provide a joint quarterly update on progress and to seek and share the views of, and give due consideration to all members of SOPAC, SPREP and SPC.
 - encourage the Director of SOPAC to provide regular briefings to Suva-based members as well as regular e-mail updates to all members'
 - direct that the Director of SOPAC, in collaboration with the CEOs of SPREP and SPC, jointly commission an independent analysis of the legal, financial, administrative, and programmatic implications of their proposed institutional arrangements avoiding duplication of work that's been done already.
 - direct the Director of SOPAC to propose to the other CEOs that the proposed institutional arrangements and analysis of implications are circulated to all member focal points of SOPAC, SPREP and SPC with an invitation for a representative from each Member country to attend a meeting of all countries and territories for consideration by May 2009.
 - direct, subject to the guidance of the above-referenced meeting, the Director of SOPAC to work collaboratively with the CEOs of SPREP and SPC to finalise and jointly recommend new institutional arrangements and implementation plans, to be provided to members by July 2009, for consideration and decision by their respective governing bodies in 2009.
 - agree that the SOPAC Council meet to consider the institutional arrangements and implementation plan recommended by three CEOs before the next Pacific Islands Forum Leaders' meeting in 2009.]

Director proposed these recommendations to the Committee to be considered as a way forward for presenting to the SOPAC Council.

Fiji commented that they would of course need time to consider the text. He harkened back to the SPREP decision in reference to the progress reporting and said that having thought further about the quarterly reporting he calculated that there would be one for the end of this year; and one before the May meeting in 2009; and to his mind this was not sufficient reporting. Fiji wanted to be informed each step of the way in the process; and that was something that he thought might need review, in terms of getting more regular feedback than the quarterly reporting proposed.

Australia stressed that members needed to somewhere ensure there was no duplication of work that had been done already. She observed that quite a lot of work had already

Suva

Tuesday, 13 January 2009

been done including the legal (two legal reports had been received). She pointed out that the SOPAC [Ms Nidung] legal report that was commissioned was very similar in a number of findings to the Heather Latu study. This was an important point which she wanted underlined that members have to AVOID things that will (1) prevent the timeframe being met by leaders and add unnecessary complications; and (2) the cost consideration. She viewed that it did not make any sense to undertake anything that had been done already; but granted that obviously those things that had been done already might need a little further looking at and refining but members needed to keep that in mind. With regard to the process, she was of the view that it was very important now, given the constraints and the big job that was to be done that not too much be introduced that would get in the way of the CEOs getting on the job. She injected that as a note of caution, in reference to the suggestion that CEOs do more than quarterly reporting. It was a complicated piece of work and the CEOs needed to be given the time to actually do it, hence extra reporting should be considered carefully on whether that would be a help to what is talked about in terms of ownership or whether it would actually prove to be a hindrance in achieving the outcome that members want, which is a breakdown of the roles and functions according to those four points that was made by SPREP that the Director has just referred to. She placed those two points as a note of caution.

Fiji assured members that they had no intention at all to impede the schedule, their thoughts were mainly to do with helping members avoid getting to a really advanced stage in the process and finding out there was no mechanism [for redress]. Fiji suggested that perhaps it was not a report at every juncture that they sought but certainly more regular reporting than quarterly – particularly there should be opportunities to know what was happening inter-sessionally before May (2009). Fiji was not intending to introduce barriers to the CEOs; but [closer oversight] could potentially prevent any last minute concerns that breaks down the whole process.

New Zealand suggested an alternative was just say "quarterly" formal reporting and then leave it to the discretion of the CEOs to report on issues where they saw and agreed on what needed to be told to members which would provide supplementary reporting on an irregular basis.

Chair asked the Director to comment.

Director reminded members of her earlier comment on the need for the Committee to reflect on its role as the process rolled out. She suggested perhaps other mechanisms for example – just providing comprehensive and regular briefings to Suva-based members as well as informing all members via SOPAC circulars and e-mail updates. She suggested that the SOPAC Council could certainly encourage the SOPAC Director to provide regular briefings and it could happen at the Secretariat fairly cost-efficiently and time effectively at the current location; and the formal joint report on progress be by the three CEOs. She suggested that this mechanism could be proposed by the Committee in its summary record to the Council as an expectation in terms of regular updates. To take into account all the issues for formal reporting, because of the work that would need to be done – the joint progress report could be

provided on a quarterly basis. The Director attempted a redraft of one of the bullet points to capture Australia's comments on ensuring that studies already undertaken were accounted for. She suggested amendments to the fifth bullet point along the lines "direct the Director of SOPAC to engage collaboratively with the CEOs of SPREP and SPC immediately following the 2008 SOPAC Council Meeting and ensure all existing studies and activities are taken into account when determining and jointly identifying a proposed institutional arrangement based on (and it continues)". She continued and proposed for the next bullet point text that said "direct that the Director of SOPAC in collaboration with the CEOs of SPREP and SPC jointly commission an independent analysis nisant of studies and activities that have already been undertaken of the legal, financial(and so on)". She offered those alternate words to capture the concern about not reinventing wheels. She informed the meeting that [the Secretariat] would work on putting the text of the recommendations together immediately after the meeting as she wanted the Council meeting papers to go out fairly promptly; and that she was intending to disappear to Spain the next day. She asked the Committee to come back with comments on the recommendations, which would be part of the Executive Summary of the SCW report to Council.

Australia remarked that rather than sort of mandating [in reference to alternate language supplied by the Director above] which would bring in a whole range of things that may not now be relevant to the recent decision(s). She proposed text for the dot point talking about the collaboration with the other CEOs "analyse the legal, financial, administrative, and programmatic implications avoiding duplication on work that's been done already" – this was thought to cover it and left it again to the discretion of the CEOs to decide among themselves what they build on.

Director acknowledged the alternate text provided by Australia as much stronger and more concise.

Chair queried whether he should take it that with respect to the issue raised by Fiji that the Director would be providing regular informal reporting to members.

Australia expressed that she was not quite sure what was agreed and exactly what form it would take. She thought that the reconvening of this Committee of the Whole had been mentioned given its terms of reference. She acknowledged hearing the Director use the term "a briefing"; which was preferable for her because she was very aware that meetings of this nature were a lot of work and required a lot of follow up – she preferred briefings and they could be quickly put together.

New Zealand summed up what he understood of the Director's proposal – that rather than proceeding with the formal SCW meetings the [new] mechanism would be simply briefings of the Suva-based missions and supplemented by e-mail updates. He submitted that if that was correct then New Zealand was very comfortable with that. In terms of timing, rather than sort of set artificial times he proposed leaving it to the discretion of the CEOs for when they got to certain critical points where there was information to be

reported and that these might occur at irregular intervals – that was certainly their preference.

Chair thanked New Zealand for the summation and pronounced it to be the understanding around the table.

Director confirmed having the words for that and encouraged the Committee to respond with comments when the draft recommendations were circulated later in the day.

Chair in seeing no further request for the floor asked the Director to comment on what was going to happen next.

Director explained that firstly she would get the recommendations into legible format for circulation to the Committee inviting comments. She outlined that the SCW Report to the Governing Council would comprise (1) the progress report of SOPAC to the Forum as its core; (2) an executive summary that highlighted inter-sessional progress extracted from the progress report to the Forum i.e the forming of the Committee (SCW); the establishing of its terms of reference; the number of SCW meetings held; the number of CEO trilaterals held; the number of programme trilaterals held etc. (3) the recommendations that were discussed during this meeting would be part of the executive summary for Council to consider as a way forward with respect to the RIF institutional framework initiative. She promised to also circulate the executive summary to members as soon as possible, and explained that the SOPAC paper to Council would just be a cover paper attaching the progress report.

Director went on to advise members that certain SOPAC 37th Session papers had already been cleared for sharing with Council members but rather than sending out all of the papers at once they would be put online as they became available. She encouraged Committee members to return with their comments to the Secretariat on the version of the (SCW) recommendations that would be circulated to them. It was hoped that what the Committee presented to Council would cut down on the work Council would need to perform in Funafuti.

Chair thanked the Director and announced the end of consideration of all the items for the meeting. He opened the floor for any other business that members might want to bring up, but there were none.

9 Closing

Chair in closing thanked members for working effectively over the few hours of the meeting to agree the recommendations that would be considered by Council later. He read closing remarks that are included in full in Annex 2 of the full record.

Director expressed the hope of seeing all the members in Funafuti and invited them to eat the lunch prepared for them.

