

Excerpted out of the Proceedings of the Thirty-fifth Session, Solomon Islands, 20-28 September 2006 (pages 32-36, paras 197-250; and pages 44-45, paras 351-357)

[pages 32-36, paras 197-250]

10.1 Regional Institutional Framework Review Report

197. The Director introduced paper AS35/10.1 referring Council to the batch of additional papers circulated two weeks prior to the meeting. The need to table the Regional Institutional Framework Review Report (RIFRR) necessitated a revision of the Provisional Agenda to accommodate it. She also pointed out that the bulk of the paper was due to the numerous appended reports that were needed to fully appraise Council members with respect to the process leading up to the RIFRR. The Director explained that the reason the paper was before Council at this time was because heads of CROP had been urged to finalise contributions to the RIFRR before the FOC and Forum. She advised that as the matter is one for member countries to consider, it was useful and imperative that the findings of the RIFRR be presented to the respective governing councils of all Pacific Regional Organisations of the CROP, to ensure a consistent approach.

198. A member of the RIFRR Team was invited to present the RIFRR to the SOPAC Governing Council.

199. Ms Lucy Bogari addressed the SOPAC Governing Council on behalf of the rest of the RIF Review Team. She explained that she would be presenting the major outcomes and recommendations from the RIF Review Team's work. In terms of the procedures for taking the report forward, she indicated that the Deputy Secretary-General of the Pacific Islands Forum Secretariat, Iosefo Maiava, was present to clarify those aspects.

200. Ms Bogari proceeded to brief Council that the RIF Review Team was put together at the 2005 Forum when the Leaders approved the Pacific Plan. In approving the Pacific Plan they had actually directed that the RIF Study should look at an improved way of carrying forward the objectives of the Pacific Plan. Hence, the Pacific Plan Action Committee (PPAC) in following through the Leaders' decision and instructions had commissioned the study. The terms of reference for the study therefore were gleaned from elements of the Pacific Plan as well as the AV Hughes Report of 2005.

201. Ms Bogari continued that the team's work departed from the AV Hughes report, in so far as the extensive character of the consultations that were undertaken. To her recollection, this is one report that has come out of the region that has had the advantage of having a widely consulted character. She reported, that to the minds of the RIF Review Team members, this was the strength of the report – and that the recommendations that the Team has put forward resulted from the wide consultations that it has held. The stakeholders that were consulted are listed and annexed to the RIFRR, and a list of consultations is also listed.

202. She highlighted the two things that the Leaders wanted to see, which were:– a) a regional architecture that would be responsive to the objectives of the Pacific Plan; and b) more interaction and engagement with the wider Pacific community.

203. She reported that the Review Team consulted widely both within and outside the region with team members going as far as metropolitan France to glean views.

204. She emphasised that, in putting together this report the Team was not looking at individual organisations performance or lack of it; in fact they heard that stakeholders were generally satisfied with the performance of the various CROP agencies. But across the board there was a lot of duplication taking place within and across agencies in terms of the functions. It was also heard from the stakeholders that there was confusion in terms of coordinating certain programmes – and especially from donors, who think that it could be done better.

205. She mentioned that the Team came up with about twenty recommendations and that some could be termed quite radical, but this was a synthesis of what was gathered from the stakeholders' views. At this juncture, she walked Council through the main recommendations of the report.

206. She advised that basically the RIF Team envisaged a 3-pillared regional architecture. The Team recommended that there be an institution that deals with general policy issues; hence PIFS is the political institution.

207. The second pillar would be an institution proposed to be the framework institution for all the current CROP agencies dealing with technical issues. It is being proposed that the Pacific Community and its Secretariat form the basis of such an institution; and the academic and training institutions would make up the third pillar.

208. It is being proposed that the Forum Fisheries Agency (FFA) be carved into its technical and policy components with the technical work transferred to the technical pillar and the policy work going to the policy pillar.

209. A time frame recommended is that within 2 years this streamlining should take place. The time frame is a guideline, because it was felt that the leaders needed to make a decision with a set timeframe rather than just an open-ended decision, hence the 2 years was put forward as a guideline.

210. She further advised that the current locations of the various institutions will not necessarily be moved, that is “they remain as they are, where they are”.

211. A Transitional Management Team is being recommended to be established and that the Leaders at their 2006 Forum take the decision to appoint a Transition Management Team, to implement the recommendations put forward in the RIFRR.

212. She reminded Council at this juncture, that the PIFS Deputy Secretary-General was also present with her at the meeting to clarify any procedural issues regarding this exercise. She also decided to pause in her explanations at this point to take questions and sought the deference of the Council Chair to allow the PIFS Deputy Secretary-General to provide some points of clarification. She advised that the PPAC had actually received the RIFRR and could explain the next stage in the process.

213. The PIFS Deputy Secretary-General explained that after the PPAC, the Forum Chair (Papua New Guinea) wrote to all the leaders and submitted the report asking them to consider the report. In doing so the Chair asked that the leaders ensure that they had an all-of-government view of the report by the time of the next Forum meeting, and that this view be used to guide their participation in governing councils, and at the Suva October 2006 meeting of the Forum and the FOC to be held in Suva the week following the SOPAC 35th Session.

214. He advised that the intention of the Prime Minister of PNG is to place the report in front of the Leaders and ask them to have their all-of-government positions to be ready in

time for their October meeting – for us that indicates that Leaders intend to take that decision.

215. The way forward is to see what the Leaders decide – the key is that this was a whole-of-government issue, it is very much a Forum Leaders issue, and something the Leaders wanted to do from the time they decided to review the Forum and regionalism in 2003.

216. The Eminent Persons Group (EPG) Review of the Pacific Islands Forum was concerned about effective regionalism, even though the EPG Report did conclude that the idea of one single regional organisation was not the correct way to go. This demonstrated that the subject of regional institutions was a long-standing issue on the Leaders' list of regional issues. Hence their endorsement of the Pacific Plan and their call for progress reports to be prepared in time for their 2006 meeting was also in line with their long-standing interest in having this issue addressed. Mr Maiava concluded that he hoped this helped to clarify the leadership dimension of the whole exercise and that it was pretty much the concern of Forum Leaders.

217. The Chair when opening up the item for discussion reminded delegates that the issue was also part of their own governments' decision-making processes that would continue next week at FOC.

218. Samoa queried the RIFRR Team member about her mention of the consultation process and her claim that the recommendations were formulated from the results of what was heard during consultations. Samoa expressed concern that he didn't see the names of any delegates of the SOPAC Governing Council sitting around the table on the interview list, which meant that they were not consulted. How then could she claim a wide consultation?

219. Ms Bogari explained that when the process started, the Foreign Affairs counterpart of every Forum Government was approached to provide a list of those who should be consulted during the process – this was how it was approached – Forum Governments' Foreign Affairs offices chose who was to be interviewed.

220. The delegate from the Federated States of Micronesia (FSM) was shocked to see his name on the list of people to be interviewed and reported that he spent only five minutes with the interviewer, who had a set of prepared questions and he had no clue as to what was going on in terms of the purpose of the interview. It is true that we want regional integration, yet just looking from a nation point of view; when Foreign Affairs personnel across the hall from him failed to coordinate the interview exercise in an organised fashion. Here, we are finding it difficult to coordinate at national level, and yet we are talking about regional integration. The delegate from the FSM wanted to know what was expected from this meeting in relation to RIF. He urged the Council to come out with an outcome statement to be submitted to the FOC Chair for Leaders' consideration. Further questioned in reference to the date of implementation – how realistic is 2009? We are now looking at updating the agreement establishing SOPAC which has taken us more than ten years to get to this stage, how realistic is our expectation that regional integration will take place in 2009 by simply lumping programmes and people together in two years time.

221. Fiji raised the question whether the RIF Team had considered other options or solutions for solving the problem of overlapping programmes given that this is one of the chief reasons given for the merger of the technical programmes. Ms Bogari replied that their recommended solution was the best one formulated from what the Team heard from people they consulted.

222. The delegate from the Marshall Islands thanked Ms Bogari for the report of the RIF and expressed concern at the level of uncertainties in the report. He requested that although the report indicated that the delivery of services to meet the needs of member countries would be improved, the report however does not clarify how the delivery of services would be improved.

223. Vanuatu suggested that on the issue of confusion and the problem of duplication that a good place to start would be with a national action plan. He was of the view that harmonisation and coordination at the regional level would be achievable if governments are already coordinated and harmonised at the national level and their priorities clearly articulated. If countries are sorted out first, having their own roadmap on where they want to go, then coordination at the regional level will be a natural outflow of that.

224. Papua New Guinea in trying to facilitate the business of dealing with this item pointed out that the Governing Council was only required to note the papers at this stage. He also pointed out that Governing Council was also required to look at some unfinished business, re the Agreement. As far as Papua New Guinea is concerned, we've gone through a process of slow metamorphosis in the formulation of the RIF report. He referred to the importance of Vanuatu's solution of beginning at home with national coordination from within; at the same time at CROP agency level, we're at the mid-wifery stage of implementation of the Pacific Plan, which has been called a living document, although the Pacific should realise that there are a lot of people using it to do things for us. Papua New Guinea advised that it had submitted a statement to the Secretariat for publication that articulates the views of PNG.

225. The delegate from Samoa had a problem with the fact that the AV Hughes report was thrown out by PPAC and then it seems to be reemerging when the RIF Team started to show up at our doors recently. He was of the view that in the context of SOPAC, the report does not spell out nor explain how this new super-agency was going to ensure an improved delivery of services as opposed to the status quo. This is the same principle as if you told FAO and UNESCO, that from now on you will both be reporting to WMO so get rid of your Director-generals and top management. The report is not stating the new governance structure for SOPAC under this new arrangement. He asked for a description of what the new governance structure of SOPAC would look like under the new structure. Ms Bogari offered that the answer to Samoa's query on the new governance structure was one she could not elaborate on as a RIF Team member; saying that aspect of the exercise would fall within the ambit of the proposed Transitional Management Team that should be appointed to oversee the implementation of the merger.

226. The delegate from Samoa expressed amazement that the SOPAC Council members' wish to be informed on where they were heading in this new arrangement might be under appreciated by the RIF Team. He stressed that some had grave concerns and had many questions about the whole exercise. He questioned what sort of bureaucracy would be instituted, and whether the SOPAC Directorate would disappear, or whether it would remain but report to the Director-General of SPC and what would become of the SOPAC governing body.

227. Ms Bogari pointed out that RIFRR indicates some mechanisms within the current CROP agencies to dissolve themselves (see Page 4 of the RIFRR), if most members were to come under SPC, then legal issues of the new organisation will come under the SPC legal framework.

228. Deputy Secretary-General of PIFS provided further clarification on what might happen if the RIFRR is approved by the Leaders. For the Forum Secretariat, that would entail the shifting to the new technical body those aspects of its current work programme that are not considered "core" business. It is also assumed that the technical

programmes that will continue will require ongoing technical oversight or steering by member governments, ensuring that the technical integrity and membership ownership of the programmes are maintained.

229. The Samoa delegate referred to Page 4 of the RIFRR and stated that what is contained there doesn't answer his query on governance. He posed the thought that if two years down the road SOPAC and SPC were put together; then how does the fact that the US and other metropolitan members of SPC not being members of SOPAC affect the governance of the new entity. He felt that Council could not afford to leave the Transition Team to look at the implementation of the RIFRR recommendations on their behalf, and he was of the view that Council needed to carry out its own analysis of the proposals. He mentioned that Article 16 of the SOPAC Agreement dealt with dissolution and it needed the ratification of 2/3rds of the membership. He also queried what the legal relationship between SOPAC and the Forum was. He questioned whether the RIF Team had had a chance to look at this issue.

230. Ms Bogari clarified that the Team did look at those issues. Obviously the current agencies, when they become part of the technical institution, will remain as separate programmes but the overall institution will have its own new character. That's what was envisaged and that these details were expected to be worked out by the Transitional Team.

231. Samoa queried whether the directors of SOPAC, SPREP, etc. will remain but report to the Director-General of SPC, and Ms Bogari confirmed that this was the recommendation.

232. The Deputy Secretary-General of PIFS intervened at this juncture and made a point of clarification on the assumption that the Director of SOPAC was going to report to the Director-General of SPC. He did not think that this was what the RIFRR was saying. What he understood it was saying was that the directors or heads of the technical programmes will all report to the head of a 'NEW' technical institution, which is dubbed the South Pacific Community in the RIFRR but does not actually refer to the existing SPC. The new technical institution being proposed is to be a new body with membership open to those currently in the organisation with the widest membership.

233. The Federated States of Micronesia (FSM) concern was that the end result of regional integration should translate into a better delivery of services to member countries. At all levels of integration, national issues must always come first. The basis of any kind of integration, collaboration and cooperation is to ensure that the corporate structure will efficiently deliver the services to member countries. The FSM delegate was fearful that rushing the integration process may be a step backward and may not serve the interests of the FSM.

234. Chair confirmed the importance of the question by FSM. He wondered how Council saw this in terms of this organisation and in the context of what had been discussed in the last few days. Vanuatu's emphasis on the need to strengthen national coordination to ensure country priorities drove the process and delivery at the regional level was concluded as very important.

235. The Fiji delegate clarified that they came here with the understanding that they were not to take a position regarding this issue. The RIFRR was to be discussed at the FOC Meeting and it would be the better forum for this to be discussed. Fiji also needed some further clarification regarding the amendments to The Agreement Establishing SOPAC, and Fiji preferred that decision on that item also be deferred.

236. The Director repeated a point she made earlier on, that Council should operate on a “business-as-usual” basis unless instructed otherwise regarding the RIF, and suggested that the business of members toward amending the SOPAC Agreement proceed.

237. The delegate of the Marshall Islands (RMI) appreciated the opportunity of sharing views on the Regional Institutional Framework. He encouraged more discussion on the RIF for he believed that more discussion on it would attribute to better understanding of it. However, at the moment RMI had some basic and fundamental concerns, which need to be addressed and sorted out before we can even consider the Regional Institutional Framework. One of the main concerns, which seems other members also share, is the delivery of services to member countries – unfortunately the RIFRR does not show that delivery of services will be improved. Furthermore, he advised that the RIFRR does not even provide a structure to allow members to visualise how it will work – and suggested that perhaps until some of these concerns are sorted out and addressed then, and maybe then, can we begin to consider it. RMI therefore believes that given the importance of the RIF we need to wait and study the review report more carefully and address the concerns we have on it.

238. The Australian delegate recalled that the SPREP Council meeting had noted the RIF and had urged delegates to take their views back through their own government channels to influence the FOC and Forum. The SOPAC agenda item has asked us to note the RIF and that is the appropriate course of action.

239. The FSM delegate commented on the idea of looking to FOC to deal with the issue at hand. He was of the view that FOC shouldn't be referred to as the body to be making the decisions for Council. FSM was only concerned with seeing better delivery at the national level.

240. The Cook Islands Government recognised that, with respect to CROP, the Pacific Plan for strengthening regional cooperation and integration provides a regional mode of goods and services delivery and increased potential for greater regional collaboration and cooperation, which would be harnessed to achieve its national priorities.

241. PIFS again clarified the Forum Process that the significance of a letter from the Chair (PNG) to the Leaders meant that this issue is very much in front of the Leaders now and that the Leaders would make their decisions next month. Advised that whatever concerns this Council had could be fed back to the Council representatives own government leader for taking up at the next Leaders' meeting. Suggested that the FOC was the other avenue for direct input or advice into the Leaders' meeting, thus its significance in terms of this particular issue. The Samoa delegate expressed no difficulty with falling in line with the clarification by PIFS, but pointed out that this Council comprised many technical people who would not be at FOC.

242. The FSM delegate suggested that something come out from Council to the FOC Meeting.

243. Australia understands that there was a long tradition of consensus decision making in the SOPAC Council. Some delegates have expressed views but some of us have not been forthcoming on our view either because we have not been briefed, or because we take the view that the appropriate channel to express these is through our own government channels. Australia will not be able to be part of a consensus decision from this Council. She pointed out that SPREP had faced the same challenge a few weeks back, and had solved it in this way: it allowed a wide-ranging discussion, noted the report, and suggested that delegates feed concerns back to our own bureaucracies. She noted that the Chair of the Forum has asked for a whole-of-government position on this issue for all members of the Forum. She also noted that a number of delegates were not

prepared to take a whole-of-government position at this meeting.

244. Papua New Guinea pointed out that the process was very clear. There are serious concerns, and we've been asked to take note of the paper before Council. He suggested that the Chair of the SOPAC Governing Council write to the Chair of FOC, and there encapsulate all the concerns that have been raised during this session.

245. Chair agreed to this way forward for Council, in that he would write in his capacity as Chair. Furthermore he suggested that when delegates return to capitals that they ensure word filtered through to their Leaders. Chair asked the Secretariat to draft the letter to go under his signature for circulation to delegates before the next morning session.

246. Australia queried the status of the letter to be written by the Chair, and wondered how it could present a council position. She reiterated that a number of countries were not in a position to present their government's position, and so the meeting could not form a consensus on RIF.

247. Chair confirmed this, hence his instruction to the Secretariat for the text of his letter to be circulated the next day so delegates were happy that it expressed some views but not a position of Council given the absence of consensus on the issue.

248. Papua New Guinea noted the intervention by Australia and reassured Council that the letter would reflect the discussion, rather than place a Council position before the FOC Chair.

249. Chair confirmed the importance of conveying some sentiments to FOC, saying that the Secretariat would provide a draft letter for circulation to and consideration by Council by the next morning session.

250. See under Other Business, for the conclusion of the matter regarding the Letter to FOC.

[pages 44-45, paras 351-357]

Letter from SOPAC Chair to FOC Chair regarding the Regional Institutional Framework Report discussion under Agenda Item 10.1

351. The Chair drew the attention of Council to a letter drafted overnight by the Secretariat to the Chair of the Forum Officials Committee expressing concerns raised by some Council members about the process and implications of the Regional Institutional Framework Report in relation to SOPAC (Item 10.1). The letter was to be sent to the FOC Chair by the SOPAC Chair.

352. In considering the draft letter, the delegate from Papua New Guinea stated that he considered that insufficient brief had been provided.

353. The delegate from New Zealand advised that as there had not yet been sufficient time to complete internal consultations, New Zealand had not yet taken an official position on the RIF review, and therefore could do no more than "note" the report.

354. Several delegations (including Papua New Guinea, Australia and New Zealand) requested that revisions be made to the letter to ensure that the general view of the Council was represented and that the letter would not be open to misinterpretation.

355. There was considerable discussion about the extent to which countries considered that they had been (or should have been) sufficiently briefed on the review prior to the Annual Session, who within governments might have been briefed and the appropriateness of the wording of a letter to the FOC on behalf of the Council.

356. The letter was revised in plenary and accepted as presenting the concerns expressed around the table and the lack of coherent consensus regarding the matter, given that quite a number of countries were not prepared to give their government's official position on the proposals contained in the RIF Report at this meeting.

357. The text of the letter is annexed in Appendix 7 of this Proceedings volume.

Annexed Letter attached.

SOPAC

GOVERNING COUNCIL 35th SESSION

Honiara, Solomon Islands

20-28 September 2006

AGENDA ITEM	TITLE
10	INSTITUTIONAL ARRANGEMENTS
10.1 Suppl.	Letter to FOC Chair from SOPAC Chair on outcome of SOPAC Council discussion on the Regional Institutional Framework Review Report

27 September 2006

Chair
 Forum Officials Committee
 03 – 04 October 2006-09-27 Forum Secretariat
 SUVA

Dear Sir,

Re: Regional Institutional Framework Report

As you will be aware the Pacific Plan Action Committee at its meeting on 24-25th August in Nadi agreed that the Report of the Review Team on the Regional Institutional Framework be brought to the attention of the SOPAC Governing Council.

I am writing to advise that this Report was presented to the SOPAC Governing Council at its meeting here in Honiara this week, by Ms Lucy Bogari a member of the Review Team.

SOPAC Council noted the Report. In doing so members agreed that I write to advise you, so you could update FOC and share Council's discussion of the Report. Council members also agreed that they would take the outcome of the discussions back to capitals in order to brief their officials attending FOC, next week in Suva, and their Leaders prior to the Forum meeting next month in Nadi.

There was no consensus on these issues. Also the Council noted that some delegates stated that they had not been briefed. However, after a lengthy discussion several issues began to emerge. It was clear to myself, that on the whole, they reflect important concerns in regard to the implications to members on the future delivery of the excellent scientific and technical work programme that SOPAC currently provides.

Those issues of concern to some members of Council, and which I feel can serve to inform and enrich discussion in FOC on the recommendations in the Report of the Regional Institutional Framework, included the following:

- The lack of clarity and assurance that improved delivery at national level of SOPAC's work programme and services would eventuate from implementing the Report recommendations.
- The lack of clarity surrounding the governance, establishment and operation arrangements of the proposed new single technical organization of which SOPAC would become a part, this includes legal and constitutional issues relating to SOPAC.

 Suva
 Monday, 18 December 2006

- The implication on SOPAC with regard to the potential risk of losing the progress made over the past three decades.
- SOPAC is nearing completion of a review and re-direction of SOPAC and its work programme that has taken 5-6 years, and the date for implementation of the Report recommendations of 1st January 2009 was considered by some Council members as overly ambitious, and should remain very flexible,.
- The Report does not address the implications for changes in membership in regard to enhancing work programme delivery and being cost effective.

Finally, SOPAC Council members were of the view that it was their responsibility to continue normal activities of SOPAC until directed otherwise by the Leaders.

I trust you will find the above useful and circulate to FOC members.

Kind Regards,

Hon. Toswell Kaua CSI, CMG, OBE.
Minister of Mines, Energy and Water Resources,
Honiara, Solomon Islands.

Chair of SOPAC 35th Governing Council Meeting

cc: Secretary-General, PIFS