

SPREP PREFERRED OPTION

RATIONALISATION OF THE SOPAC CORE FUNCTIONS
INTO SPREP

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LEADERS DECISIONS ON RIF

▶ TONGA 2007

“...AGREED TO RATIONALISE THE FUNCTIONS OF SOPAC WITH THE WORK OF SPC AND SPREP WITH A VIEW TO ABSORBING THOSE FUNCTIONS”

▶ NIUE 2008

▶ **RECALLED THEIR 2007 DECISION ON RATIONALISATION OF SOPAC FUNCTIONS INTO SPC AND SPREP WITHOUT ANY SUBSTANTIVE DIMINUTION IN SOPAC FUNCTIONS**

LEADERS DECISIONS ON RIF

- ▶ Define the new institutional arrangements and Implementation plans finalized and jointly agreed by the CEOs of the relevant agencies for presentation to Leaders at the 2009 Leaders' meeting
- ▶ Governing Councils of the SPC, SOPAC, SPREP in 2009 (and prior to the Leaders' meeting) to take all the final decisions on the new institutional arrangements and implementation plans
- ▶ Implementation to commence immediately after the Governing Council meetings and no later than 1 January 2010.

DECISIONS OF THE GOVERNING COUNCILS & KEY PRINCIPLES

- ▶ **SOPAC, SPREP and SPC agreed to guiding principles for the rationalisation of SOPAC functions**
- ▶ **Maintaining the integrity of the applied science and technical services**
- ▶ **Synergies and linkages**
- ▶ **SPREP Members also considered:**
 - **Opportunities to strengthen SPREP**
 - **For SPREP CEO to take into account ICR recommendations**
 - **Optimizing service delivery**
 - **Organisational capacities**

MANDATES AND SYNERGIES

▶ SPREP mandate

“...promote cooperation in the South Pacific region and to provide assistance in order to protect and improve its environment and to ensure sustainable development for present and future generations”

MANDATES AND SYNERGIES

▶ SOPAC mandate

“...contribute to sustainable development, reduce poverty and enhance resilience for the peoples of the Pacific by supporting the development of natural resources in particular non-living resources, investing natural systems and management of vulnerability through applied environmental geosciences, appropriate technologies, knowledge management, technical and policy advice, human resource development and advocacy of Pacific issues.”

MANDATES AND SYNERGIES

- ▶ **These mandates are overlapping and complementary in their focus on natural resources, environment and sustainable development.**
- ▶ **Most of SOPAC programmes essentially deal with applied environmental geo-science and sustainable development issues.**

MANDATES AND SYNERGIES

- ▶ Consultants in **[the executive summary of]** Part 1 of their report state: **[that whilst]** *sound arguments can be mounted for the integration of the SOPAC functions into either SPREP or SPC – however the mandates, functions and objectives of SOPAC and SPREP are closely complementary in their focus on environment, natural resources, and sustainable development.*

MANDATES AND SYNERGIES

- ▶ The consultants went on to say: **[that]** the *SOPAC work programme is predominantly environment rather than economic development within the framework of the three pillars that make up sustainable development.*

SYNERGIES AND LINKAGES

- ▶ **[Much of the 3]** SOPAC programmes, Oceans and Islands, Community Lifelines, Community Risks, have clear synergies and linkages with **[the]** SPREP **[2]** programmes - Pacific Futures and Island Ecosystems **[programmes]** .
- ▶ **[The]** Analysis undertaken by SPREP shows an almost 100% compatibility of SOPAC and SPREP programmes at the higher levels of goals and objectives and at the output levels.

SYNERGIES AND LINKAGES

- ▶ **[SOPACs work on Oceans and Islands is synergistic with SPREPs Island ecosystem work especially in relation to ecosystem and coastal management. The resulting integration would provide Members with a bio-physical, geophysical technical, planning and policy support strengthening SOPACs existing service delivery.**
- ▶ **Components within Community Lifelines Programme also are closely aligned with SPREP programmes e.g. Integrated Water Management activities of SOPAC could be integrated into SPREPs coastal and marine and terrestrial management approach or into climate change adaptation or pollution and waste management providing a much holistic approach to water and waste management and climate change adaptation.]**

SYNERGIES AND LINKAGES

- ▶ **For example, [The] goals and objectives of [the] SOPAC's Community Risk Programme are closely aligned with SPREP work [especially] on climate change adaptation, pollution and waste, and [but also] ecosystem management [since many natural disasters and hazards are linked to human disturbance of island ecosystems].**
- ▶ **Climate Change adaptation and disaster risk management have similar aims and mutual benefits. However, to date climate change and disaster risk communities have operated largely outside of each other. Mainstreaming of disaster risk management into climate change will bring these two elements and other national processes together, and therefore ensure enhanced delivery of integrated and holistic services.**

OPPORTUNITIES AND BENEFITS FOR IMPROVED SERVICE DELIVERY

- ▶ **The consultants in part 1 of the report say that wherever the core functions of SOPAC are placed the opportunity exists to further develop and strengthen the current approach of the SOPAC Secretariat to deliver services through the provision of integrated solutions.**
- ▶ **[Integrated solutions are another way of describing synergies and linkages between the programmes as well as cross cutting issues.]**

OPPORTUNITIES AND BENEFITS FOR IMPROVED SERVICE DELIVERY

- ▶ Both SPREP and SOPAC are science based. [– one primarily on policy and technical assistance and the other applied environmental geo-science.]
- ▶ SPREP [work] programmes [currently] focus on a broad range of policy, MEA, environmental planning, climate change, energy, waste and pollution, NRM and conservation [activities] services to Members [while the SOPAC focus is on applied geoscience upon which the policies need to be built].
- ▶ Given the environmental emphasis of the 2 work programmes - opportunities exist to expand the integrated solutions approach of SOPAC.

OPPORTUNITIES AND BENEFITS FOR IMPROVED SERVICE DELIVERY

- ▶ SOPAC applied geoscience technical skills and methodologies could strengthen SPREPs work to conserve, manage and sustainably utilize the region's environment and natural resources.
- ▶ Conversely **SPREP's** technical, policy and planning skills and in country delivery [**in SPREP that support PICTs in biodiversity and ecosystem management, species conservation and management and environmental assessment, sustainable development, MEAs, pollution, waste and climate change and energy**] would strengthen many of the programmes currently undertaken by SOPAC.

OPPORTUNITIES AND BENEFITS FOR IMPROVED SERVICE DELIVERY

- ▶ **Importantly**, a SPREP/SOPAC merger [**of functions will provides**] is an opportunity not only to provide enhanced service delivery to Members in specific sectors but to assist them [**further develop and strengthen the opportunities that exist resulting in the improved delivery of services but also add value in the context of**] mainstream environment into national development planning and processes – a key recommendation of the SPREP 2008 ICR report

EXAMPLES OF SOPAC INTEGRATED SOLUTIONS WHICH COULD BE FURTHER ENHANCED WITH SPREP INTEGRATION

- ▶ Collection of scientific data on sea level rise and climate change advocacy . Integration of these activities would help serve and improve scientific understanding and capability of PICT human resources and institutions and generate new knowledge to improve decision making
- ▶ Water and sanitation activities (ground water studies) interact closely with sanitation and hygiene and coastal activities and other methodologies as an integrated solution to show sources and distribution of pollution. This will strengthen SPREPs capacity building activities for PICTs to manage waste, pollution.

OPPORTUNITIES AND BENEFITS FOR IMPROVED SERVICE DELIVERY

EXAMPLES OF SOPAC INTEGRATED SOLUTIONS WHICH COULD BE ENHANCED FURTHER WITH SPREP INTEGRATION

- ▶ Mainstreaming disaster risk management into climate change and sustainable development.
- ▶ PICTs are supported in mainstreaming climate change and disaster risk management reduction through “whole of government” approach and appropriate methodologies, planning, advice and capacity building.

OPPORTUNITIES AND BENEFITS FOR IMPROVED SERVICE DELIVERY

EXAMPLES OF SOPAC INTEGRATED SOLUTIONS WHICH COULD BE ENHANCED FURTHER WITH SPREP INTEGRATION

- ▶ SOPAC technical applications (GIS and remote sensing) provide opportunities for SPREP to help improve services and benefits through their integration with SPREPs work on marine and terrestrial ecosystem management and biodiversity conservation work.

Improved Service delivery to PICTs through integration of SOPAC and SPREP programme components

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IMPROVED SERVICES TO MEMBERS

- ▶ **The examples show that complementary environmental programmes of SOPAC and SPREP provide opportunities for synergies and linkages across almost the total work programme of each organisation.**
- ▶ **Such integration would add value to the integrated solutions approach SOPAC currently adopts and thus create improved delivery of services to Members.**

Strategic issues

STAR

- ▶ **SPREP recognizes the important scientific and advisory role that STAR provides in maintaining the quality of SOPACs work. SPREP will ensure that the value of this work is not only maintained but further strengthened by the inclusion of scientific input on wider ecosystem management issues relevant to SPREP and SOPAC existing programmes and components**

Strategic issues

Location issues and opportunities

- ▶ **[SPREP has no intention of a wholesome move for the SOPAC campus from Fiji to Samoa.]**
- ▶ **SPREP wants to maintain the campus in Fiji in order to establish a working presence and improve access to other CROP agencies such as SPC, PIFS, USP and donors such as the EU.**
- ▶ **This is consistent with the SPREP ICR (Rec 113): – [states that] SPREP should consider decentralizing some Secretariat activities by locating selected staff at strategic sub-regional locations in order to service a group of PICTs that require extensive support.**

THE SPREP PREFERRED OPTION

- ▶ **Rationalisation of SOPAC core functions into SPREP (Integration of SOPAC and SPREP programme components)**
- ▶ **SPREP/SOPAC rationalization option provides an opportunity for regional reform, in particular reform for the environmental and natural resources management of the region in line with the Leaders decisions.**

THE SPREP PREFERRED OPTION

- ▶ **Establishment of a new re-branded environment and natural resource organization is clearly outside the Leaders decisions.**
- ▶ **Establishment of a new organization suggests not only the dissolution of SOPAC but the potential dis-establishment of SPREP.**
- ▶ **SPREP preferred approach is to modify the consultants' recommendation (the establishment of a new organization) to a process of rationalization of the SOPAC core functions into SPREP.**

THE SPREP PREFERRED OPTION

Process

- ▶ **Rationalization of SOPAC core functions into SPREP by January 2010**
- ▶ **SPREP Treaty and mandate will provide platform for transition (corporate and programme integration including governance issues)**
- ▶ **SPREP Director in conjunction with SOPAC management to work collaboratively during transition period supported by well chosen change management experts**

THE SPREP PREFERRED OPTION

- ▶ **Specialized working groups from SOPAC/SPREP will be established to consider corporate/programme integration including strategic planning process**
- ▶ **SOPAC and SPREP will continue to deliver on their respective programmes during the transition period**
- ▶ **Transition to be completed by March 2011**
- ▶ **December 2010 - doable but will require commitment and resources of Members; need to consider impact on delivery of services**
- ▶ **Organizational structure/strategic plan approved March 2011**
- ▶ **Reformed SPREP to be fully operational March 2011**

THE SPREP PREFERRED OPTION

- ▶ **SPREP is of the view that the opportunity to reform the environmental and natural resources profile of the region exists and can be achieved within rationalization process**
- ▶ **This opportunity must also be seen within the literal meaning of the Leaders decision**
- ▶ **Legal analysis concludes that option 1 - the re-branded organization option as proposed by the consultants is outside the literal meaning of the Leaders decisions but that a variation or a slight alteration to this option, as proposed by SPREP, would bring it in line with the leaders decisions.**

The advantages of the SPREP Preferred Option

- ▶ **Opportunity to improve the environmental and natural resources management profile in the region**
- ▶ **A more holistic approach involving mainstreaming of environmental and natural resource use management into broader policy is essential for promoting and realizing sustainable development**
- ▶ **Improved delivery of services to the region and value added and benefits to Members.**

The Advantages of the SPREP Preferred Option

Summary

- ▶ **Consistent with the Leaders decisions**
- ▶ **Consistent with the legal analysis**
- ▶ **Period of implementation is shorter**
- ▶ **Reformed SPREP operational sooner rather than later**
- ▶ **One management team with one Director undertaking the transition period in close collaboration with SOPAC management tea**

RISKS OR OPPORTUNITIES?

- ▶ Potential significant risks in Part 2 of Consultants report
- ▶ SOPAC has developed its own risk matrix
- ▶ SPREP option presented as being extremely risky.
- ▶ SPREP accepts that there will always be risks with any reform.
- ▶ [But some of these risks are inaccurately described as being insurmountable]
- ▶ Rather than risks, SPREP sees [risks as] the opportunities to improve service delivery to Members that will involve certain costs and organisational change

SPREP ICR – RISK OR OPPORTUNITY?

- ▶ Some ICR issues are relevant to RIF
- ▶ Need to re-define core functions of SPREP
- ▶ SPREP Secretariat has circulated 2 progress reports to SPREP Members on implementation undertaken in response to ICR
- ▶ Draft discussion paper on re-defining core functions distributed to Members for feedback
- ▶ To be discussed at SPREP Meeting in September 2009
- ▶ ***SPREP Secretariat does not consider the ICR as a risk but an opportunity to further reform and improve SPREP***

SPREP ICR – RISK OR OPPORTUNITY?

- ▶ **Other draft discussions papers including ways to improve better engagement with Members and Stakeholders and governance issues have been distributed to Members for feedback and discussion at SPREP Meeting in September**
- ▶ **SPREP Secretariat does not consider the ICR as a risk but an opportunity to further reform and improve SPREP**

EU AUDIT

- ▶ **EU audit was undertaken in March/April 09 for compatibility of SPREP systems and procedures for management of EU funded projects**
- ▶ **Final Report not yet released**
- ▶ **Assertion that if SPREP does not receive a favourable response that EU funding to SOPAC will be lost if SOPAC core functions are merged with SPREP**
- ▶ **EU confirm funds will be NOT be lost but rather if SPREP does not receive a favourable response then it will enter into a grant agreement with PIFs on EU modalities**

EU AUDIT

- ▶ [If SOPAC functions merge with SPREP – then possible reassessment of SPREP in 2010]
- ▶ *However, in any event, SPREP will be addressing the issues raised in the EU assessment and amending its current procedures to ensure compliance* [In the event SPREP does not receive a favourable response – SPREP willing to look at best possible practice and adopt EU compliant requirements]

LEGAL ISSUES

- ▶ **SPREP Treaty will become the basis for merging SOPAC core functions with SPREP**
- ▶ **Legal analysis confirms that SOPAC functions can be incorporated into SPREP**
- ▶ **SPREP programme changes resulting from integration can be reflected through formal changes to SPREP Treaty or acceptance by Members without changes to SPREP Treaty**

LEGAL ISSUES

- ▶ **Report of independent legal consultancy concludes that the policy Option 1 under consideration by the CEOs for implementing the rationalization of SOPAC functions is not in strict accordance with the Forum Leaders directives, both in terms of process and timeline.**
- ▶ **In respect of the SPREP/SOPAC merger (i.e. Option 1), it concludes that the option does not itself lead to the rationalization of SOPAC functions but submits that a slight alteration to the details of Option 1 could result in a more practical and effective approach to implementation which focuses on the existing mandate of SPREP**

FINANCIAL ISSUES

- ▶ **Financial assessment**
- ▶ **One-off costs (differential of \$1 Million) between SPC and re-branded option – SPREP preferred option - \$900,000**
- ▶ **Re-current costs – not much difference**
- ▶ **Costs can be reduced – systems and change management (\$300,000/\$400,000)**

FINANCIAL ISSUES

- ▶ **Any major reform will incur costs associated with implementation**
- ▶ **These are one off costs**
- ▶ **Investment for long term benefits to be realised from improved delivery of services**
- ▶ **The opportunity for reform under the SPREP preferred option will be lost if costs become the main determinant for SOPAC functions**

CONCLUSIONS

- ▶ **This is a unique opportunity to bring reform to the environment and natural resources profile of the region**
- ▶ **SPREP/SOPAC integration will result in enhanced delivery of services to Members**
- ▶ **Part One Report of the RIF Consultancy – affirms the mandates, functions and objectives of SOPAC and SPREP are closely complementary in their focus on environment, natural resources, and sustainable development.**

CONCLUSIONS

- ▶ **Consultants and CEOs also recognize that maintenance of the artificial divide between ‘environment’ and ‘sustainable management of resources’ is no longer viable; and that a more holistic approach involving mainstreaming of environmental and natural resource use and management into broader policy is essential for promoting and realizing sustainable development**
- ▶ ***Consultants concluded that relocation of SOPAC’s core as a Division of SPC whilst definitely doable would not meet the full intent of the RIF rationalization process, that is: significant reform and improvement of service delivery to Members particularly with regard to environment and resources management. [It is therefore not the recommended option.]***

CONCLUSIONS

We therefore urge Members of the three organizations to take this outstanding opportunity to strengthen the delivery of improved environmental and natural resource management services to the region and support the integration of SOPAC core functions with SPREP