



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.

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:

- (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.

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.

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ATTACHMENT – RIF CD Version 1.0, April 2008 (see back pocket)

ANNEX 1

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ANNEX 2

SOPAC GOVERNING COUNCIL CHAIR'S OPENING REMARKS

Fakatapu

Welcome

1. On behalf of the SOPAC Governing Council, I would like to welcome all of you to the first meeting of the Committee of the SOPAC Council as a Whole, established by decision of Council at its last meeting in Tonga. I am aware that all of you have heavy responsibilities to our governments and am therefore deeply appreciative of your allowing some time from your busy schedule to attend this meeting.

Purpose

2. As I have stated in my letter to you on 16 February 2008, the 36th Annual Session of the SOPAC Governing Council held in Tonga, under Agenda Item AS 36/11.1 agreed that a Committee of the SOPAC Council as a Whole be established "to consider the decision in the 2007 Forum Leader's Communiqué Paragraph 19(b) which states inter alia " the need to rationalize 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.
3. I am also very mindful of the Forum Leader's decision in their 2006 Communiqué decision on this matter that a 1 January 2009 was not prescriptive, implying that "to get it right" was more important than immediacy.
4. The SOPAC Council in the response to the above Forum decisions also set very clear parameters which this Committee must take into account and these are set out in Paragraph 2(i) – (iv) of Council's decision. As Chair of Council I have already actioned Paragraph 2 (v)
5. The role of this Committee as per Council decision, is to guide and advise the Director – as a Committee – during the consultative process in response to the Forum Communiqué. In order to carry out this function the SOPAC Council has also directed this Committee in its first meeting to consider and agree on its Terms of Reference to assist us and the Director in carrying out the directive. At the same time Council also authorized us to ensure adequate resources, presumably both financial and human, were available.

Terms of Reference (TOR)

6. In relation to the TOR, Honourable. Member of the Committee, under paper Agenda Item 5.5.1, you would have received a suggested TOR from the SOPAC Secretariat. I am informed that Members of this Committee also have considered the draft TOR and some have suggestions of their own. As Chair of this Committee I am pleased that there has been some serious thinking regarding our task. We must therefore first deliberate and agree on a TOR.

General Comments

7. As Chair, I consider this Committee's task a difficult one. It is difficult because our Governing Council – reflecting the views of the majority of member States – gave us the responsibility for due process, good governance, and the interest of Pacific Island countries and the people whom SOPAC is established to serve. This is our working mandate.
8. As Chair, I would like all of you to know that this is how I will guide this Committee, its meetings and its responsibility.
9. This is not to say that we do not honour the decision made by our Leaders. What I am saying is that if we honour our Leaders, it behoves us to ensure that the objectives of their decision can be achieved in a fair and just manner and in my humble opinion, the objective is what institutional

arrangement or arrangements would best meet the needs of Island Member States and their people and in a reasonable, cost-effective manner. We owe that to our Leaders and to our Governing Council.

10. I am aware that there is intensive pressure to try and save Pillar 2 of the RIF proposals. I accept that but we have the responsibility placed on us by our Council as I had referred to earlier. We can achieve that but let us do it through due process, and let us "Get it Right"
11. In any case, and as I understand it, this is the third time that SOPAC has been pressured to substantive change. So what's in a few more months for us to achieve the objective of our Leader's decision as per our own Governing Council response through due process. I respectfully urge all Members to take this responsibility seriously in the interest of the Pacific Island peoples whom we all serve.
12. Whatever reason, the Leaders have made a decision and the SOPAC Governing Council has responded and our task is a given. Discussion in this Committee will therefore be limited only to the task set for us by our Council – the rationalisation of SOPAC functions with a view to absorbing them into SPC and SPREP. To carry out that exercise all are tasked to do so with due process to guide and advise the Director to allow her to achieve the best possible management and arrangement that will meet the interest of the Pacific Island Countries and people within a reasonable cost-benefit scenario.
13. The Director will of course report to this Committee from time to time and for us to consider, guide, and decide on recommendations to Council when it next meets in Funafuti, in October. What goes to our Governing Council will be the recommendation of this Committee. What goes from myself, to the Forum Leaders will be an update on Council's behalf on progress over the past year.
14. Finally I would like to express deep appreciation to the Director of SOPAC for not pre-empting the responsibility of the Chair and Council and of this Committee to SOPAC Governing Council and our Leaders. I am aware that things have been hectic but you have shown us why we chose you as SOPAC's Director. Being head of a regional organisation is never easy and sometimes a seemingly thankless task but at the end of the day member States are always deeply appreciative. On their behalf and mine I thank you.

With those few remarks I now declare the meeting open.

The first business of the day is the consideration and adoption of the agenda.

ANNEX 3

ADOPTED AGENDA

- 1 Adoption of Agenda
- 2 Documentation
- 3 Actions since Council Meeting
- 4 Purpose of the SCW
- 5 Terms of Reference for the work of the SCW
- 6 Institutional Arrangement Options
- 7 Timelines and Constraints
- 8 SOPAC Director Work Programme
 - Initial Tasks to be Completed
- 9 Proposed Schedule of Committee Meetings and Reporting
- 10 Other Business

ANNEX 4

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 Kephass), 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

10) 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

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

12) 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 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.

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

14) 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?

15) 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.

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

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

18) 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.

19) 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

20) 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.

21) 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).

22) 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.

23) 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

24) 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.

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

26) 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.

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

28) 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.

29) 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".

30) 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.

31) (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)

32) 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

33) 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.

34) 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.

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

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

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

38) 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.

39) 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.

40) 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.

41) 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.

42) 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.

43) 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.

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

45) 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.

46) 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.

47) 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.

48) 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.

49) 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".

50) 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.

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

52) 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.

53) 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.

54) 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.

55) 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.

56) 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.

57) 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.

58) 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.

59) 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.

60) 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.

61) 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.

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

63) 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.

64) 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.

65) 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.

66) 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.

67) 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.

68) 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.

69) 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.

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

71) 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.

72) 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.

73) 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.

74) 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.

75) 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.

76) 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.

77) 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.

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

79) 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.

80) 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?

81) 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.

82) 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.

83) 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.

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

85) 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.

86) 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.

87) 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.

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

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

90) 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.

91) 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.

92) The Chair invited the Director to comment.

93) 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.

94) 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.

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

96) 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.

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

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

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

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

101) 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.

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

6 Institutional Arrangement Options

103) The Chair requested the Director to introduce the item.

104) 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.

105) 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.

106) 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.

107) 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.

108) 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]**

109) 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.

110) 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.

111) 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.

112) 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.

113) 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.

114) 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.

115) 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.

116) 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 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.

117) 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.

118) 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.

119) 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.

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

LUNCH BREAK

121) 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.

122) 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.

123) 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.

124) 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.

125) 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.

126) 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.

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

128) 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.

129) 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.

130) 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.

131) 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.

132) 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.

133) 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.

134) 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.

135) 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.

136) 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]

137) 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.

138) 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.

139) 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.

140) 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.

141) 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.

142) 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.

143) 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.

144) 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.

145) 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.

146) 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.

147) 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.

148) 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.

149) The Cook Islands representative concurred with Fiji.

150) 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.

151) 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”

152) 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.

153) 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.

154) 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.

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

156) 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.

157) 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).

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

159) 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.

160) 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.

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