FORUM EYES ONLY

PACIFIC ISLANDS FORUM SECRETARIAT

SMALLER ISLAND STATES

FIFTEENTH SIS LEADERS' SUMMI

Denarau, Nadi, Fiji Islands
23 October 2006

SUMMARY OF DECISIONS

The Pacific Islands Forum's Smaller Island States (SIS) Summit was held on 23 October 2006 in Denarau, Nadi, Fiji Islands. The Summit was attended by Leaders from the Cook Islands, Kiribati, Nauru, Niue, the Republic of Palau, the Republic of Marshall Islands and Tuvalu. The meeting was chaired by the President of the Republic of the Marshall Islands. Leaders welcomed attendance by the President of French Polynesia, the Ulu of Tokelau and Executive Heads and representatives of CROP organizations.

Pacific Plan

Leaders welcomed the considerable progress made in implementing the Pacific Plan, noting that there were many significant initiatives gaining momentum under the Plan and that support from regional organisations and development partners had been a strong and positive feature to date. Leaders also noted the key challenges that need to be overcome in order for the Plan to be effectively implemented. Paramount was that of fully translating the regional initiatives being developed into plans and follow-up actions at the national level. Leaders also agreed that while SIS interests were being better reflected in the Pacific Plan, there was a need to be more attentive to some of the SIS particular concerns including in the areas transport (aviation and shipping), energy and the social and environmental priorities discussed at the 2006 SIS Leaders Summit. The Leaders **supported** the recommendations outlined in the Pacific Plan Annual Report to Leaders.

Smaller Islands States Unit

The SIS Leaders also **noted** with appreciation the establishment of a dedicated unit in the Secretariat tasked with ensuring that the SIS perspective is represented, and that they fully benefit from the Plan. Leaders thanked New Zealand for funding the Unit and requested New Zealand and other partners to continue to support the Unit as it provides the much needed in-country capacity building to allow SIS to further realize benefits of current and future regional initiatives. The Leaders **asked** the Secretariat to ensure that the SIS Unit was well supported in the long term.

Avian Bird Flu Preparedness

SIS Leaders **noted** with grave concern the risk of a worldwide epidemic or pandemic caused by the Highly Pathogenic Avian Influenza A/H5N1. Leaders **agreed** that an ongoing commitment, at the highest political level, for the implementation of the Influenza Pandemic

Preparedness Project and international health regulations was needed and offered their support to the project.

Furthermore, Leaders **sought** formal reporting on other aspects of health matters of emerging importance to the SIS such as HIV/AIDS, non-communicable diseases(diabetes and obesity) and bulk purchasing of pharmaceuticals. They also **agreed** that addressing non-communicable diseases in the region be highlight as a key priority under the Pacific Plan.

Sub-Regional Cooperation in Air Services

SIS Leaders welcomed the development of air services in the Central Pacific through the "Our Airline" and noted the invitation by Nauru to strengthen air services in the region through a sub-regional cooperation. Noting that this development accorded with the intentions of the Pacific Plan and regional efforts to ensure effective transportation within the region, SIS Leaders **asked** the Secretariat to assist strengthened collaboration amongst SIS and other PIF Members in air transportation by assisting with Nauru's proposal and other transport proposals for technical and other support.

Shipping Services

In noting the ongoing need to address the issue of shipping services for the SIS, Leaders **asked** the Secretariat to conduct a feasibility study on the possibility of a feeder shipping service among the SIS and present a proposal to their next Summit.

Labour Mobility – Skilled and Unskilled Workers

In recognizing the need to address the increasing economic and social pressures created by unemployment through avenues such as unskilled labour access to developed countries, SIS Leaders noted the work of the World Bank in examining economic arguments in favor of greater labour mobility including both skilled and unskilled labour. SIS Leaders further acknowledged the potential benefits of guest worker schemes may have on their island economies and **directed** the Secretariat to develop a proposal that would further investigate labour movement schemes, including guest worker schemes, for the Smaller Island States in both Australia and New Zealand and other developed countries**,** drawing upon the World Bank Report.

Pacific Technical Vocational Institute and Campuses

Acknowledging the work by Australia on a proposed Pacific Technical College, SIS Leaders' **supported** the need for one of the college campuses to be located in one of the SIS countries, given their critical need to address human resource requirements.

Bulk Procurement Initiatives – Petroleum

SIS Leaders recognized that the SIS have common areas of immediate concern, and would equally benefit from a degree of aggregation and coordination of national responses in the areas of Energy Regulation, Risk Management, and Joint Procurement. They further supported the collaborative mechanism *methodology* and the use of framework agreements to guide the development of Energy Regulation, Risk Management, and Joint Procurement

solutions for the SIS. In endorsing the process, SIS Leaders **directed** their officials to enhance and strengthen collaboration amongst the SIS, with support from the Secretariat, for the timely achievement of national benefits from these regional interventions.

Furthermore, Leaders' **asked** the Secretariat to explore other options including the possibility of approaching OPEC for more competitive oil prices.

Leaders noted the potentially significant benefits of bulk procurement initiatives in petroleum and **requested** the Secretariat to carry out similar work for pharmaceutical and other essential products. This work is to be completed by their next meeting in 2007.

Renewable Energy

While recognizing the current dependency on fossil fuel, SIS Leaders **asked** the Secretariat to work with other relevant CROP agencies and partners to further pursue alternative energy programmes, sources, technology and possible funding options available to Members.
In this context, SIS Leaders **affirmed** the importance of long-term energy security to the future prosperity of the region, requiring intensified regional engagement and the convening of a meeting of regional energy Ministers and officials as soon as possible.

Review of and Proposed SIS Membership

Leaders noted the work done in reviewing the SIS membership criteria and **agreed** to use as a guide the proposed methodology of adopting a binary approach analysis with specific indicators. In undertaking any analysis of new applications, the Secretariat will provide the Leaders with a recommendation on understanding that the ultimate granting of membership to prospective new members is the prerogative of the Leaders.

Developing USP facilities in the SIS

SIS Members of USP supported the adoption of a more coordinated approach for the development and expansion of USP facilities located in their respective countries and **asked** the University of the South Pacific to provide regular reporting on the progress of implementing those developments to their Summits.

Modalities for the Operations of the Adaptation Fund

Leaders **noted** Tuvalu's proposal on the operationalisation of the Adaptation Fund to be submitted to the UNFCCC Conference to the Parties to the Convention(COP) and Meeting of the Parties to the Kyoto Protocol(MOP).

Beyond the Micronesian Challenge

Leaders **noted** that Palau, Federated States of Micronesia and the Republic of the Marshall Islands were tabling a Country Initiative at the Forum highlighting the achievements made under the Micronesian Challenge and congratulated Kiribati for its commitment with respect to Phoenix Islands Protected Area. The proposal also includes expanding the reach of such conservation efforts and funding thereof, to a regional level. SIS Leaders **offered** their support for the initiative.

Deep Sea Bottom Trawling

Leaders **noted** that Palau was proposing some changes to the proposed Draft Declaration on Deep Sea Bottom Trawling to Protect Biodiversity in the High Seas to manage this method of fishing to protect biodiversity in the high seas, and that these were to be discussed at the Forum.

Secretariat Support

Leaders **noted** Palau's request for Secretariat assistance to members in the conduct with their meetings with Taiwan/ROC.

Sixteenth SIS Leaders' Summit

SIS Leaders agreed that their 16th Summit be held immediately prior the 38th Pacific Islands Forum Leaders Meeting, with a full day being set aside for the purpose. The Beretitenti of Kiribati assumed the role of Chair of the SIS at the end of the 15th Summit.

Denarau, Nadi, Fiji Islands
23 October 2006