VISION

Our Pacific Vision is for a region of peace, harmony, security, social inclusion, and prosperity, so that all Pacific people can lead free, healthy, and productive lives.

VALUES

We **value** and depend upon the integrity of our vast ocean and our island resources.

We **treasure** the diversity and heritage of the Pacific and seek an inclusive future in which cultures, traditions and religious beliefs are valued, honoured and developed.

We **embrace** good governance, the full observance of democratic values, the rule of law, the defence and promotion of all human rights, gender equality, and commitment to just societies.

We **seek** peaceful, safe, and stable communities and countries, ensuring full security and wellbeing for the peoples of the Pacific.

We **support** full inclusivity, equity and equality for all people of the Pacific.

We **strive** for effective, open and honest relationships and inclusive and enduring partnerships—based on mutual accountability and respect—with each other, within our sub-regions, within our region, and beyond.

These Pacific regional values will guide all our policy-making and implementation
# TABLE OF CONTENTS

<table>
<thead>
<tr>
<th>Section</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>Vision &amp; Values of the Forum</td>
<td>2</td>
</tr>
<tr>
<td>The Pacific Islands Forum</td>
<td>4</td>
</tr>
<tr>
<td>Forum Chair Message</td>
<td>6</td>
</tr>
<tr>
<td>Secretary General’s Message</td>
<td>8</td>
</tr>
<tr>
<td>Framework for Pacific Regionalism</td>
<td>10</td>
</tr>
<tr>
<td>Sustainable Development</td>
<td>12</td>
</tr>
<tr>
<td>Economic Growth</td>
<td>16</td>
</tr>
<tr>
<td>Strengthened Governance</td>
<td>22</td>
</tr>
<tr>
<td>Security</td>
<td>26</td>
</tr>
<tr>
<td>Strategic Partnerships &amp; Coordination</td>
<td>30</td>
</tr>
<tr>
<td>Who We Are</td>
<td>35</td>
</tr>
<tr>
<td>Corporate Services</td>
<td>36</td>
</tr>
<tr>
<td>Financial Statements</td>
<td>39</td>
</tr>
<tr>
<td>46th Pacific Islands Forum Communiqué</td>
<td>46</td>
</tr>
<tr>
<td>Acronyms</td>
<td>52</td>
</tr>
</tbody>
</table>
THE PACIFIC ISLANDS FORUM

The Pacific Islands Forum is the region’s premier political and economic policy organisation. Founded in 1971, it now comprises 16 independent and self-governing states: Australia, Cook Islands, Federated States of Micronesia, Fiji, Kiribati, Nauru, New Zealand, Niue, Palau, Papua New Guinea, Republic of Marshall Islands, Samoa, Solomon Islands Tonga, Tuvalu, and Vanuatu.

Associate membership to the Forum is currently held by French Polynesia, New Caledonia and Tokelau. Forum Observers include the African Caribbean and Pacific Group of States, American Samoa, the Asian Development Bank, the Commonwealth, the Commonwealth of Northern Mariana Islands, Guam, the International Organisation for Migration, the United Nations, Wallis and Futuna, the Western and Central Pacific Fisheries Commission, the World Bank, and Timor Leste is a Special Observer.

The Forum’s Pacific Vision is for a region of peace, harmony, security, social inclusion and prosperity, so that all Pacific people can lead free, healthy, and productive lives.

The Pacific Islands Forum works to achieve this by fostering cooperation between governments, collaboration with international agencies, and by representing the interests of its members.
Since 1989, the Forum has held Post-Forum Dialogues with key Dialogue Partners at Ministerial level, and currently has 17 dialogue partners: Canada, People’s Republic of China, Cuba, European Union, France, India, Indonesia, Italy, Japan, Republic of Korea, Malaysia, Philippines, Spain, Thailand, Turkey, United Kingdom and the United States.

**The work of the Forum is guided by the Framework for Pacific Regionalism,** which was endorsed by Leaders in July 2014. It sets out the strategic vision, values, objectives and approaches to achieve deeper regionalism in the Pacific. A Pacific regionalism recognised by leaders as:

> The expression of a common sense of identity and purpose, leading progressively to the sharing of institutions, resources, and markets, with the purpose of complementing national efforts, overcoming common constraints, and embracing sustainable and inclusive development within Pacific countries and territories and for the Pacific region as a whole.

**The Framework for Pacific Regionalism** supports political conversations and initiatives that address key strategic issues. All Pacific people have an important role to play in regionalism and to support this principle, the Framework articulates a regional public policy process that is intended to generate initiatives that foster deeper regionalism. The Framework also encourages prioritisation of the Forum Leaders’ agenda to ensure that Leaders have the time and space to drive these initiatives forward.

The annual Forum meetings are chaired by the Head of Government of the Host Country, who remains as the Forum Chair until the next meeting. Decisions made by Leaders are reached by consensus and are outlined in a Forum Communique, from which policies are developed and implemented.

**The Pacific Islands Forum Secretariat**

The Pacific Islands Forum Secretariat is an international organisation established by treaty, enjoying legal personality in each of its sixteen member countries. The Forum Secretariat is mandated to coordinate the implementation of Forum Leader’s decisions. The Secretariat is based in Suva, Fiji, and is led by the Secretary General, Dame Meg Taylor of Papua New Guinea, who is directly responsible to the Forum Leaders. The Forum Officials Committee (made up of nominated representatives from all Forum Governments) is the governing body for the Secretariat and has oversight of its activities. The Secretariat is funded by contributions from member governments and donors.

The Secretary General of the Forum Secretariat is permanent Chair of the Council of Regional Organisations in the Pacific (CROP). CROP functions as a coordination mechanism between the heads of the regional organisations in the Pacific, and as a high-level advisory body, to provide technical expertise and policy advice at national, regional and international level. The nine members of CROP are:

- Pacific Aviation Safety Office (PASO)
- Pacific Community (SPC)
- Pacific Islands Development Programme (PIDP)
- Pacific Islands Forum Fisheries Agency (FFA)
- Pacific Islands Forum Secretariat (PIFS)
- Pacific Power Association (PPA)
- Secretariat of the Pacific Regional Environment Programme (SPREP)
- South Pacific Tourism Organisation (SPTO)
- University of the South Pacific (USP)

The Forum Secretariat has trade offices in Auckland, Beijing, Sydney, and Tokyo that work independently but come together as Pacific Islands Trade and Invest (PT&I). The Forum Secretariat also has an office in Geneva, Switzerland, for the Permanent Delegation of the Pacific Islands Forum to the World Trade Organisation (WTO). As part of its outreach assistance to Members, the Forum Secretariat has desk officers in the Smaller Island States (SIS) of Cook Islands, Kiribati, the Marshall Islands, Nauru, Niue, Palau, and Tuvalu to complement the resources of its smallest Members. There is also a Pacific Plan Desk Officer in Vanuatu. The Forum Secretariat also has a representative based in Solomon Islands as the Forum Special Representative to RAMSI.
Palau is honoured and privileged to have led the Pacific Island Forum for the last 12 months.

At the 45th Pacific Islands Forum Meeting in Palau last year, Forum Leaders endorsed Pacific Regionalism as the way forward for this region.

Palau is proud to have been Chair during this period in which we have begun this new journey of implementing the Framework for Pacific Regionalism. A journey that calls on Forum Leaders to take collective positions around a prioritised regional agenda that will improve the lives of our people, and then oversee the prosecution of that agenda.

This year, the 46th Pacific Islands Forum Meeting was held in Port Moresby under the theme “Strengthening Connections to Enhance Pacific Regionalism”. As a region, our strength lies in our diversity and our solidarity, and yet we are only as strong as our most vulnerable members. The success of regionalism depends on our ability to connect as countries and communities in a way that brings greater benefits to our people.

Together we face many similar developmental and social and economic, as well as environmental challenges. Working side by side provides an efficient and effective means to address these shared challenges.

I also want to emphasise the role that regionalism has to play for the Smaller Island States (SIS) of the Forum. In many ways the SIS of the Forum have become a barometer of impact around efforts to build and sustain a region of peace, harmony and prosperity.

The SIS are uniquely positioned to benefit from regional approaches to addressing key issues, particularly as we face clear and present and existential threats from issues like the adverse effects of climate change. In this light, we must acknowledge the efforts of the SIS to develop a regional strategy that identifies priorities to help provide direction and guidance in mobilizing the resources required to address common issues and interests.

As Large Ocean Island States, the ocean is our way of life. The ocean is one of the few things that literally connects us. It is our livelihood, our culture and our economy. It is the basis for our future and our choice of theme for the Forum hosted by my government - The Ocean: Life and Future. This was reflective of growing international recognition of the important role the ocean plays in sustainable development, but also our growing concern regarding threats to ocean and coastal resources.

In 2014, Leaders unanimously endorsed the Palau Declaration, The Ocean: Life and Future, Charting a Course to Sustainability. The Declaration called for action to address, amongst other matters: fisheries conservation and management, including illegal, unreported and unregulated fishing; maritime boundaries delimitation; potential environmental impacts of extractive industries; unequal distribution of the costs of ocean management; biodiversity in areas beyond national jurisdiction and reporting and knowledge sharing.

Our Pacific Ocean Commissioner, Leaders and communities, with the support of our regional organisations, have advocated for the region’s ocean priorities, and are implementing many significant initiatives across all aspects of sustainable ocean management.
Creation of marine protected areas and sanctuaries, and measures to enforce fishing limits; increasing the rate of return from fishing activities; formalising maritime boundaries; reducing pollution and tackling climate change have all been key components of the region's efforts. I am proud to say that in recognition of our efforts to protect and promote our ocean, the United Nation’s Champions of the Earth was bestowed on Palau for efforts to protect our natural resources, while balancing the needs and traditions of our people. I am also proud of the work of the Forum and its member countries through the United Nations in successfully guiding international discussions towards the successful adoption of Oceans as a stand-alone Sustainable Development Goal within the context of the Post-2015 Development Agenda.

We are caretakers of the Ocean and custodians responsible for its ongoing wellbeing. We hope that the Palau Declaration will continue to inspire increased, sustained action and integrated approaches to ensure sustainable development, management and conservation of the Ocean.

Central to our Forum Leaders agenda this year was consideration of five regional priorities that were identified through the Framework for Pacific Regionalism. These priorities reflect a range of important issues facing the region: fisheries and monitoring, control and surveillance of our waters, climate change, information and communications technology (ICT), cervical cancer, and upholding human rights in West Papua (Papua).

Since the conclusion of the Leaders’ Meeting, the Council of Regional Organisations in the Pacific (CROP), sub-regional organisations such as the Parties to the Nauru Agreement, civil society and the private sector have been working together to begin implementing the recommendations around these issues. It is worth reiterating that Forum Members, and particularly relevant sectoral agencies at the national level, are crucial to the continued successful implementation of these priorities. But at the end of the day, only through comprehensive and enduring partnerships at all levels, as set forth in the call to action of the Samoa Pathway, will we find success in achieving our goals.

I would like to acknowledge the work of the previous Forum Chair and for his leadership of the Forum during the past year and I would like to express to the incoming Forum Chair my best wishes. I would also like to thank the Secretary General and the Forum Secretariat for all their hard work over the last 12 months.

2016 promises to be a big year for our region. While cognizant of our respective important national interests, let us lift our gaze to the regional horizon and with renewed vigor, build on the successes of our predecessors. Let us forge stronger connections for Pacific Regionalism.
2015 was an important year for the Pacific Islands Forum and for the region. Without a doubt the most significant development has been implementing the Framework for Pacific Regionalism, a task that has been momentous and challenging.

The Secretariat depends upon strong relationships with its members and in 2015 I visited, and met with the Leaders of, every Forum country. I have seen and heard about the issues and challenges facing the Pacific first hand. I have had the opportunity to speak with Islanders representing diverse groups and areas of interest. The reward is a richer and more informed relationship between the Secretariat and the communities and peoples of the Forum.

There is a great deal of which to be proud. This year we established the Specialist Sub-Committee on Regionalism (SSCR) and then coordinated the first public policy process across the region. I take immense satisfaction in the significant public interest that was generated by this new process.

That we received submissions from Governments, civil society organisations, academia, community groups, the private sector and individuals, speaks to the agency that exists across member countries for Pacific Regionalism. I am proud that of the many regional initiatives put forward through the process, the SSCR was able to finally present five priorities for Leaders’ consideration at their meeting in Port Moresby in August: climate change, fisheries, cervical cancer, information and communications technology, and upholding human rights in West Papua (Papua). All represent issues that can be best addressed by Forum countries working together on the solution.

The Secretariat, in collaboration with other CROP and technical agencies, is working on coordinating policy responses to these priorities that will in turn be presented to Members for their consideration. I am very pleased to be able to report that in the months since Leaders met in Papua New Guinea one of the five initiatives has been achieved. The SSCR called for a high level statement from Pacific Leaders to be taken to the 21st Conference of the Parties to the United Nations Framework Convention on Climate Change (UNFCCC) meeting in Paris, also known as COP21.

The Pacific Islands Forum Leaders Declaration on Climate Change Action completed in Port Moresby called for an ambitious and legally binding agreement from the COP21 meeting. It highlighted the need for Loss and Damage as a critical standalone element and acknowledgement of the Warsaw International Mechanism. It stressed the need for simplified access to climate financing. The Declaration also focused efforts on ensuring that the particular challenges facing the most vulnerable small island states of the Pacific were recognised, and in doing so, urged that the COP 21 agreement include a ceiling above pre-industrial levels for carbon emissions of no more than 1.5 degrees Celsius.

Ultimately the Paris Agreement was a positive outcome for the Pacific and Small Island Developing States. Several key elements of the Forum Leaders Declaration on Climate Change Action were reflected in the agreement. This was an historic agreement and one that we all worked hard to achieve and of which we should all feel proud. It demonstrates what can be done when we work together as a region.

2015 was a year of many important meetings. In addition to the Forum Leaders, Forum Economic and Forum Trade Ministers meetings, there was a special Foreign Ministers meeting to address disaster risk management as well as international engagement with Partners in the Pacific.
We supported summits between the Pacific Island states and Japan, Korea, Thailand and France. We provided assistance to members in the United Nations General Assembly, the Asian Development Bank and World Bank Boards of Governors meetings in Baku and Lima, respectively. We also supported members at global meetings such as the Sendai Conference on Disaster Risk Reduction, Addis Ababa Action Agenda, the 2030 Sustainable Development Agenda and, of course, COP21.

The role of the Council of Regional Organisations of the Pacific (CROP) is vital if we are to achieve the outcomes for the region that are sought by Leaders. Each agency has considerable and particular expertise, and we must harness this knowledge and capacity, and ensure that it is coordinated and applied for maximum effect. This year we concluded a review and rationalisation of CROP working groups and arrangements to ensure that they are efficient and effective into the future. We held the inaugural meeting of the Pacific Ocean Alliance in May this year. This provided an invaluable forum involving more than just governments, to develop regional positions on the upcoming negotiations for a new international instrument on biodiversity beyond national jurisdiction.

The PACER Plus trade agreement negotiations are proceeding to a close. At the Forum meeting this year Leaders renewed their commitment to the PACER Plus negotiations as an instrument for promoting regional integration and assisting Forum Island Countries to achieve robust economic growth and sustainable development. At their recent meeting Economic Ministers initiated important work on Public-Private Partnerships and Financing for Development, to provide new funding sources to address economic development in the region.

We have undertaken considerable work to support risk resilient development, which has included support for the development of the draft Strategy for Resilient Development in the Pacific, to be considered by Leaders in 2016.

Efforts have continued on advancing the Sustainable Development Goals with Leaders requesting we commence work to tailor the global indicators to the Pacific context. We have also completed Forum Compact reviews of all member states including our two developed members, Australia and New Zealand.

Internally, we have put many changes in place, including establishing a new Strategic Results Framework, to ensure that as an organisation, we are able to implement the Framework in a holistic and meaningful way. The adoption of the Framework is having an impact on the way the Forum Secretariat itself works. At the start of this year, as one of my first steps as Secretary General, I commissioned an independent review of the Secretariat. The objective was to give me a clear operational understanding of the Secretariat’s work and its finances. The review highlighted a number of important issues that we have sought to address. I can report that our financial situation at years end has improved from where we started the year while staff are reviewing strategic priorities and processes in an effort to realign the work of the Secretariat to effectively implement the FPR.

Together we have identified five Key Result Areas and these will form the basis of our future performance reporting.

1. Delivering a Prioritised Regional Agenda for Leaders and Members
2. Implementing Leaders’ Priorities
3. Providing Policy Analysis and Advocacy for Sustainable Economic Development
4. Providing Policy Analysis and Advocacy for Good Governance and Security
5. Ensuring our Corporate Efficiency to deliver these outcomes

We are well on the way to positioning the Secretariat as a dynamic, engaged key partner for this century. In many ways, 2016 will be even more important than 2015 in the implementation of the Framework. We will have to demonstrate a clear and obvious impact at national level as we implement the Forum priorities. We will have to improve the public policy process and engage more broadly and more intensively at the national level, as well as with CROP agencies in running this process.

When they endorsed the Framework for Pacific Regionalism, the Forum Leaders articulated their Pacific Vision as a “region of peace, harmony, security, social inclusion, and prosperity, so that all Pacific people can lead free, healthy, and productive lives”. There is still much to be done to achieve this vision but the Forum Secretariat will continue to work hard to bring us all closer to
FRAMEWORK FOR PACIFIC REGIONALISM
In 2014, Leaders of the Pacific Islands Forum endorsed a Pacific Vision that was for a region of peace, harmony, security, social inclusion, and prosperity, so that all Pacific people can lead free, healthy, and productive lives.

The Framework for Pacific Regionalism represents their long term commitment to deeper regionalism as a means to achieving this vision.

The Framework sets out a number of ways in which ambitious and transformative initiatives best addressed through a regional approach can be identified. Governments of the Pacific, through existing Ministerial and Officials’ driven processes are one important avenue. Another is the regional public policy consultation process. Through these mechanisms the Framework provides a political platform that enables Forum Leaders to assert their collective sovereignty over the Pacific Vision into the future.

Regionalism can be expressed in a number of ways:

Regional Cooperation consists of regional agreements between national governments, where implementation is left at the national level. This has been the primary vehicle for regionalism in the Pacific since the 1960s.

In some instances cooperation has led to Regional Delivery and Regional Service Provision such as the University of the South Pacific and its regional delivery of tertiary education.

Economic and Political Integration represent two forms of deeper regionalism that can lead to shared sovereignty, shared political and legal institutions, and increased flows of people, goods, and capital. PACER Plus represents the region’s efforts to achieve an agreement towards greater economic integration, while tangible efforts towards greater political integration are still to be attained.

Deeper regionalism requires coherence and conformity across regional stakeholders. The Framework prioritises the regional political agenda, and in doing so provides all stakeholders the opportunity to align their strategic direction and resources behind it.

Implementation of effective forms of regional cooperation and integration is underpinned by emphases on:

- Greater political oversight and discussion by Forum Leaders around key issues such as political settlements, pooled resources and sovereignty, and what is to be gained and forfeited for the greater regional good.
- Ensuring focused political discussion takes place that considers only issues best serviced through a form of regionalism. This does not downplay the importance of other issues that are not considered through the processes articulated in the Framework, but recognises that they may be best addressed at the national level or through a multi-country approach.

Promoting a more inclusive approach to regional public policy development. The regional public policy consultation process set out in the Framework enables coherent and meaningful public engagement in regionalism. Through mechanisms like the Private Sector Round table, and the Civil Society – Forum Troika Dialogue, Pacific communities are connected with regional decision makers.

Four principal objectives underpin the Forum’s commitment to Regionalism and this report reflects work undertaken by the Forum Secretariat in 2015 to advance these.

1. Sustainable development that combines economic, social, and cultural development in ways that improve livelihoods and well being and use the environment sustainably;
2. Economic growth that is inclusive and equitable;
3. Strengthened governance, legal, financial, and administrative systems; and
4. Security that ensures stable and safe human, environmental, and political conditions for all.
SUSTAINABLE DEVELOPMENT THAT COMBINES ECONOMIC, SOCIAL AND CULTURAL DEVELOPMENT IN WAYS THAT IMPROVE LIVELIHOODS AND WELL-BEING AND USES THE ENVIRONMENT SUSTAINABLY
The Forum Secretariat produced the 2015 Pacific Regional MDGs Tracking Report which was the final Pacific report on the MDGs. It provided final progress of Forum Island Countries, as well as overall regional progress. The report recorded mixed outcomes for the Pacific in achieving the MDGs, with only two countries achieving all the MDGs (Cook Islands and Niue). Three countries achieved at least half of the MDGs (Fiji, Palau and Tonga). Six countries achieved less than half of the goals; and three countries did not achieve any of the MDGs (Kiribati, PNG and Solomon Islands).

In 2015, Forum Leaders committed to the full implementation of the SDGs, giving particular attention to the unfinished business of the MDGs. In recognition of the need for the global SDGs indicators to better reflect the Pacific context, they called for open and inclusive processes to identify regional indicators that account for national priorities.

In response to the Leaders’ directives, the Forum Secretariat, CROP and UN agencies are coordinating regional action through the CROP Sustainable Development Working Group (SDWG). Given the size and scope of the task, and that the SDGs Indicators Framework is yet to be officially endorsed globally, the CROP Executives, on advice from the SDWG, agreed to develop a Roadmap for the regional reporting and implementation of the SDGs, SAMOA Pathway and FPR for Leaders’ consideration.

Social Policy
The activities within the social policy areas of education, disability and gender of the Secretariat focused on regional strategies that promote the human rights of all persons in the region to achieving improved livelihoods and well-being regardless of the many challenges they face as individuals or as a community. There are social issues that continue to challenge member states such as equitable access by all children to quality education, especially for those children with disabilities and those living under difficult circumstances, inclusion and participation of persons with disabilities in national development and decision-making, and the share of women in the political social and economic life of Pacific countries. Discussions on how to support member states address such challenges continue to take centre stage at the regional level among the development partners and CROP agencies.

Education activities in 2015 focused on the finalization of the regional indicators for the Pacific Education Development Framework (PEDF). A regional workshop in September 2015 brought together managers of national education management information systems (EMIS) to discuss and agree on a set of indicators for assessing achievements and progress in regional education under the PEDF.

Disability inclusive development in the region is coordinated through the Pacific Regional Strategy on Disability (PRSD). The five-year project, funded by the Australian Government, has been implemented by the Secretariat in a collaborative partnership with other agencies and it came to an end in December 2015. At their meeting in the Cook Islands in 2013, Forum Leaders recognised the need for a longer-term approach to addressing the rights of persons with disabilities in the Pacific and called for a new Pacific Disability Rights Framework (PDRF) 2016-2025. Work on a draft is well underway and the key areas being addressed are livelihoods, leadership, mainstreaming, evidence, and risk management. The final draft will be presented to Leaders in 2016.

Monitoring and Reporting on Gender Equality
Ending violence against women, gender parity in education, and reproductive health services are three focus areas identified in the Pacific Leaders Gender Equality Declaration. Reporting on the progress made in these areas is an important mechanism for promoting the effectiveness, accountability and transparency of commitments made by Forum Leaders. The 2015 MDGS Tracking Report, which includes the Pacific Leaders Gender Equality Declaration, noted that there has been progress since the last report in 2014. Areas of progress included gender parity in primary education for most FICs, adoption of gender policies, adoption of legislation to address domestic violence, Some prevailing challenges highlighted in the 2015 Report included limited
data, inadequate national budget and resource allocation, to progress gender equality, multiple barriers faced by women including social, cultural and financial, limited access to finance and economic opportunities and social and cultural attitudes and stigma that prevent reporting of violence against women.

The Secretariat, in partnership with UN Women, Pacific Community and Pacific Civil Society Committee supported forum members at the 59th Session of the Commission on the Status of Women which was held at the United Nations from 9-20 March 2015. Forum Members actively participated and raised their voices on priority areas for the region, such as gender issues, in the context of climate change, disaster and humanitarian settings. The Forum Secretariat worked with UN Women in ensuring members submitted their reports for the Beijing Review and provided direct technical assistance to the Republic of Marshall Islands.

Additionally, technical assistance was provided on gender based Universal Periodic Review reporting to the governments of Samoa, Palau and Papua New Guinea.

To support members with challenges related to co-ordination and implementation, the Forum Secretariat as co-chair, convened annual meetings of the CROP Gender Working Group and development partners to improve coordination and inform key agencies and development partners on challenges faced by members in implementing gender equality commitments. The Forum Secretariat continues to raise these issues in key sector level meetings, regional meeting such as the regional gender statistics by the Pacific Community. To ensure that sustainable development initiatives benefit women and girls with disabilities Secretariat included specific gender priorities in the new Pacific Disability Rights Framework and supported participation of women’s groups, human rights organizations and national women’s office in all the national consultations in 2015.

The Forum Secretariat also played a co-ordinating role in following work to support the key areas of education and women’s access to sexual reproductive health. The Forum Secretariat has guided progress on the Regional Education Framework to include gender specific indicators. To increase advocacy and awareness on women’s sexual reproductive health rights, The Forum Secretariat and partners developed a policy guide called Bridging the Gap which was launched the Pacific Health Ministers’ Meeting in Fiji.

In 2016 the Secretariat should strengthen its reporting to leaders in these key areas and its coordination with partners to support members meet their national, regional and international commitments.

Renewable Energy
In partnership with the United Nations Industrial Development Organisation the Forum Secretariat facilitated the tender process for the establishment of the Pacific Centre for Renewable Energy and Energy Efficiency (PCREEE) as requested by Ministers at the Second Meeting of Pacific Ministers of Energy and Transport held in Denarau, Fiji, in April 2014. At the end of the tender process the hosting of the PCREEE was awarded to the Pacific Community (SPC) as the hub/host of the Centre in cooperation with other regional partners including, PPA, SPREP, and USP. These agencies would be responsible for supporting areas such as capacity building and applied research, renewable energy and energy efficiency, knowledge management, investment and business promotion.
Information & Communications Technology (ICT)
Following Leaders endorsement of ICT as a priority for the region, the Forum Secretariat and the University of the South Pacific discussed ICT with Private Sector representatives at the Private Sector Dialogue in Cook Islands. The outcomes from that meeting were put forward for consideration by Economic Ministers, highlighting the need for Governments to recognise the importance of ICT connectivity to business development and its importance to the economic and social well-being of communities such as virtual education and health resources. Expanded membership of the Working Group in 2016 should enable greater collaboration between key players in the sector, industry, and policy makers.

Climate Financing
Access to climate change related finance remains a high priority area for Forum Leaders and Economic Ministers.

The Secretariat supported UNDP and USAID Adapt to undertake the Tonga national climate finance and risk governance assessment. The assessment was guided by the Pacific Climate Change Finance Assessment Framework developed by the Secretariat. Findings of the assessment would enhance understanding of the national climate change finance landscape, inform policy decisions related to climate change and disaster risk finance, and identify key areas that require further strengthening. Additional country assessments are anticipated for 2016 and beyond.

The Secretariat also partnered with the Green Climate Fund (GCF) and SPREP to convene the first Pacific Regional GCF Meeting in July 2015 in Nadi, Fiji, which brought together national designated authorities from the region and representatives of accredited entities to improve their understanding of the fund and share experiences in engaging with the fund. Fiji (with support from the Asian Development Bank) became the first Pacific Island Country approved in November 2015 to receive project funding (US$31m) from the GCF for a water and wastewater management project for the greater Suva area. Few other countries also submitted readiness concepts and readiness proposals. A second GCF Pacific Meeting is expected to be convened in 2016 and ongoing support from CROP agencies and partners is required to build country readiness and develop project pipelines to the GCF. ‘Climate finance’ negotiation training for the Pacific negotiators leading up to the UNFCCC COP21 in Paris were another body of work that the Secretariat took the lead on. This was in partnership with SPREP, SPC and USP. Specific trainings supported included the North Pacific (Palau, FSM and RMI) COP21 negotiation workshop in July 2015, Senior Officials training at the margins of the Leaders Meeting in Port Moresby in September 2015, national delegation trainings for Fiji (September 2015) and Vanuatu (October 2015), and the regional High Level Support Mechanism workshop in early November 2015. These trainings have proven to be useful to Pacific Island Countries, as evident from a joint letter of acknowledgement that the Secretariat received from the Presidents of FSM, RMI and Palau. The Secretariat will continue to support the ‘One CROP Team’ led by SPREP to effectively prepare the region for COP22 in 2016 and also progressing the Paris Agreement.

The Forum Leaders Declaration on Climate Change Action for COP21, was endorsed by Leaders in their meeting in September 2015 in Port Moresby. This was in line with support rendered to the Specialist Sub-Committee on Regionalism in identifying key regional initiatives for the Leaders’ consideration. The Forum Leaders Declaration built on numerous high-level declarations issued through different meetings in the region for COP21. The Declaration formed the basis of further engagement by the Forum Chair and Secretary General Taylor to garner political support for the region’s priorities for COP21, including a meeting with the United Nations Secretary General Ban Ki-moon in September 2015 at the margins of the United Nations General Assembly. Climate change and disaster risk management will remain a critical priority for the region in 2016 and ongoing support to PICs is required.

The Forum Secretariat supported Pacific Island Countries at the UNFCCC COP21 negotiations, which culminated in the adoption of the Paris Agreement, a new legally-binding global climate change agreement that will come into force by 2020. Secretary General Taylor delivered a statement at the High Level Segment of the COP21 conference as the only observer organisation from the Pacific. Secretary General Taylor also participated in a number of high-level side events at COP21, including as a panelist at the ‘World Oceans Day’ Side Event. Secretariat staff who attended COP21 facilitated daily coordination meetings for PSIDS, which proved to be beneficial in strategising and giving a stronger and united voice for PSIDS in the negotiations. The Forum Chair and the PIFS Secretary General have a vital role in 2016 to encourage other Forum Member States and other Post Forum Dialogue Partners to ratify the Paris Agreement as early as possible.
ECONOMIC GROWTH THAT IS INCLUSIVE AND EQUITABLE
Achieving high levels of **sustained economic growth** is an important development policy objective for Forum countries. However, there are many challenges and constraints which continue to impede policy efforts from realising this. Even though some natural resource-rich countries in the region have experienced excellent economic growth in the last decade, the proceeds from such high growth rates have failed to improve general welfare due to deep structural and governance issues. The challenges and constraints that many Pacific countries face include limited national capacities, exposure to adverse international economic shocks, limited natural resource base, weak systems for economic governance, and exposure to natural disasters.

Economic growth for most FICs remained volatile and moderate with limited diversification of the key drivers of the economy. According to the Asian Development Bank by the year's end, regional average economic growth improved to 7.0 percent (from 6.7 percent) as a result of high Liquefied Natural Gas (LNG) led growth in PNG, and in Palau due to high tourism led growth. Solomon Islands, Samoa, Tonga, Kiribati, and Tuvalu also experienced positive economic growth in 2015.

In Fiji, economic growth moderated to 4.0 percent in 2015 from 5.3 percent in 2014 as agricultural activity in sugar, fisheries, and timber slowed, due largely to the effects of a strong El Niño weather system affecting the country for most of the year. Growth contracted in Vanuatu, Federated States of Micronesia, Republic of Marshall Islands, Cook Islands and Nauru. The fall in growth in many of these countries can be largely due to the adverse impact of natural disasters, damage to major economic infrastructure, winding down of donor-funded infrastructure projects, and lack of public investment.

While El Niño weather patterns caused issues for economic growth in many countries, warmer seas due to El Niño increased tuna stock in the equatorial Pacific, which led to increased fishing licence revenue for countries such as Kiribati, Nauru, and Tuvalu.

Inflation was low for most countries due to low world food and fuel prices. The drop in fuel prices in particular had a positive impact for governments, businesses and households in Pacific countries which have benefited in low import bills, and low energy prices.

**Barriers to Growth**

Several barriers continue to hinder inclusive and equitable economic growth. These include structural economic challenges as well as governance issues. Natural resource dependent countries continue to face a growth path that is driven by the extractive industry. Due to the lack of a proper redistribution mechanism of the proceeds from the capital-intensive minerals sector, the real sectors suffer - especially agriculture, on which the bulk of the population depends. Coupled with poor governance, the proceeds from the mineral wealth are not redistributed fairly, and the welfare of a large part of the population suffer, including many vulnerable people such as urban poor and women in rural areas.

**Access to finance for development** is another key constraint to growth for many Pacific countries, especially for those with a very low natural resource base such as the Smaller Island States. These countries face unique challenges including geographical isolation from major markets, low labour force/capacity issues and low private sector investment. Given their limited source of internal revenue to fund both their development projects and maintain their large public sector, access to sustainable finance is a vital development issue for many small island states in the Pacific.

Issues around releasing land for development purposes is another barrier to economic growth in the region. Land and other natural resources are custom owned in many Pacific countries. With the lack of, or insecure property rights to land, both public and private sector investment is difficult. Reforms to unlocking the customary land for development purposes and effective enforcement of contracts related to property rights, are crucial to attaining inclusive and sustained economic growth.

When Forum Trade and Economic Ministers met, the key discussions were around innovative and practical options for mobilisation and access to development financing in the region, building effective financial infrastructure, public private partnerships - enabling efficient use of resources & delivery of essential goods and services, and effective and efficient delivery of public goods and services.

**Economic Empowerment of Women**

Pacific Leaders, through their Gender Equality Declaration, have prioritised increasing the
economic empowerment of women within the region. For the 2015 Forum Economic Ministers meeting, the Forum Secretariat published a study titled Women’s Participation and Representation on State Owned Enterprise. The study found that having more women on SOE boards would represent significant progress in closing the gender inequality gap in important decision-making areas and economic empowerment of women in FICs. The study will contribute towards groundwork for further expansion and analysis on promoting women’s leadership and decision making in the informal and formal economic sectors.

Major initiatives captured in the 2015 progress report on the Gender Equality Declaration include an expansion of safe markets for women in a number of countries, changes to parental leave schemes, social security, and addressing gender pay gaps in two countries with one focusing at village council level. The smaller island states that have in place National Action Plans on women’s economic empowerment moved some activities forward in line with current commitments. Support was extended in the areas of women’s economic leadership with pilot projects planned for Palau and Tonga on women in business awards and strengthening women’s economic networks in partnership with PIPSO. The Forum Secretariat was also involved in a gender analysis of Palau’s Trade Policy Framework.

**Economic Integration**

Economic integration is an example of ‘deeper regionalism’ aspired to under the Framework for Pacific Regionalism. The Pacific Island Countries Trade Agreement (PICTA) and Pacific Agreement on Closer Economic Relations (PACER) Plus are two bodies of work currently underway to help facilitate this.

The Pacific Islands Trade Agreement (PICTA) aims to promote economic growth in the region by encouraging trade between FIC Members.

In 2015 the Forum Secretariat continued to work with the FIC Parties to PICTA on readiness to trade under the Agreement. Twelve FICs have now signed the Agreement: Cook Islands, Fiji, Kiribati, Federated States of Micronesia, Nauru, Niue, Papua New Guinea, Samoa, Solomon Islands, Tonga, Tuvalu, and Vanuatu. Eleven of these have ratified the agreement, however only the Cook Islands, Fiji, Niue, Samoa, Solomon Islands, Tuvalu, and Vanuatu have announced readiness to trade. In 2015 two of those countries, Fiji and Samoa, participated in trade flow analyses conducted by the Forum Secretariat to determine the proportion of trade occurring under the agreement.

The research undertaken for Samoa indicated that in the aggregate, total Samoan imports from PICTA countries were SAT$270.16 million (pre-PICTA between 2002 - 2007) and SAT$311.03 million (PICTA period between 2008 - 2014). In terms of Samoa’s exports, the data showed that agricultural and fisheries products were SAT$2.46 million (Pre-PICTA) and SAT$1.80 million (PICTA). Exports of Manufactured goods were SAT$13.93 million (Pre-PICTA) and SAT$7.60 million (PICTA).

Firms in Fiji and Samoa were assisted with queries around customs procedures for products entering Samoa under PICTA. Local manufacturers in Samoa, had expressed concerns that certain products; namely, corned beef (Farmers Brand from Foods Pacific) and Snacks (Bongos and Peanut Ruff from either SC Foods Limited or CJ Patel Ltd) maybe entering Samoa under PICTA though these may not qualify. The Forum Secretariat ensured that a transparent policing and monitoring process, by which data and information on products entering PICTA Parties under the Agreement can be accessed by concerned parties.

To assist in getting all FICs ready to trade under the agreement in 2015 the Forum Secretariat worked with the remaining countries to undertake the necessary domestic reforms required to begin. For example, policy advice was provided to Kiribati on the appropriate administrative requirements to comply with a readiness to trade under PICTA. Work was also done to review and update the PICTA Trade In Services schedule of commitments and provide ongoing advice on its ratification process.

The Pacific Agreement on Closer Economic Relations (PACER) Plus aims to deepen trade and economic cooperation between Australia, New Zealand and the Forum Island Countries (FICs). The PACER Plus arrangements are intended to provide a comprehensive framework to foster improved economic growth, investment and employment in the Pacific Region.

Forum Leaders at the 46th Pacific Islands Forum in 2015, noted that considerable progress had been made since the launch of negotiations
for PACER Plus in 2009. Negotiations on most chapters are close to conclusion with continuing positive engagement and flexibility shown by all parties. Leaders renewed their commitment to PACER Plus negotiations as an instrument for promoting regional integration in the Pacific and assisting Forum Island Countries to achieve robust economic growth and sustainable development.

In noting the substantive progress made in the PACER Plus negotiations, Leaders requested Ministers responsible for international trade to ensure their negotiators exercised the necessary flexibility to quickly conclude a high quality trade and investment agreement, at latest, by June 2016.

The 5th Non State Actor (NSA) Dialogue on PACER Plus was held in December 2015. The objective of the Dialogue was to provide NSAs from the regional and national levels the opportunity to discuss their perspectives on PACER Plus and provide input into negotiations. Importantly, participants acknowledged the “openness” demonstrated during the Dialogue by all stakeholders and the willingness of the PACER Plus negotiators to take into account the various issues highlighted as the negotiations progress.

Following on from the NSA Dialogue, the 8th PACER Plus Officials Meeting (PPOM) focused on progressing the negotiations, particularly in the areas of trade in goods, temporary movement of natural persons, rules of origin, and PSR Schedule and General Provisions and Exceptions. The meeting also considered ad referenda the texts concluded in inter-sessional meetings on SPS, technical regulations, standards and conformity assessment procedures, customs procedures, transparency, dispute settlement, development assistance, institutional provisions, investment, and arrangement on labour mobility.

**Private Sector Development**

Private sector development is fundamental to sustainable economic growth in the Pacific region. The Forum Secretariat worked with PIPS0 in 2015 to ensure that priority issues for the private sector were presented to Leaders and Ministers. The Private Sector Dialogue with Leaders in Port Moresby highlighted the importance of support for the many micro, small and medium enterprises (SMEs) that operate in the region. Limited access to finance, lengthy and cumbersome processes for business registration, approvals and renewal of business licenses, and finally, business infrastructure support were highlighted in their statement to Leaders as being crucial to progress.

SMEs were later the focus of the combined Forum Trade and Economic Ministers meeting in the Cook Islands.

The **Pacific Islands Trade and Invest (PT&I)** offices of the Forum Secretariat operate as a professional network to improve the services to Members, and increase the volume and value of Pacific Island exports and investments. The PT&I network makes connections between Pacific Island exporters and international buyers; provides promotional support and technical expertise for producers and exporters; introduces potential investors to Pacific Islands businesses; and promotes Pacific Islands cultural industries, and the marketing of niche Pacific island tourism services and products. There are PT&I offices in Auckland, Beijing, Geneva, Sydney, and Tokyo.

In 2015 the PT&I network facilitated the region’s participation in a number of significant world exhibitions and trade promotion events in Melbourne, Shanghai, Tokyo and Paris. Eleven exporters from Fiji, Vanuatu, PNG, Solomon Islands and Niue exhibited coffee, fine chocolate, honey, coconut products, packaged foods, sea grapes, bottled water and exotic beverages in Fine Foods Australia with great success. Australian chefs from the restaurant trade received a taste of Pacific foods at their best.

**PT&I Auckland** assisted a number of business with the export of their products to New Zealand leading to an overall increase in export sales. Through the direct assistance of the PT&I, a FIC
small business is currently exporting one full container of root crops per month to New Zealand. The office focused on match-making exporters and importers, providing market intelligence, technical assistance on packaging development and branding and this resulted in new and increased exports for Fiji’s Red Papaya, Tongan fresh and frozen root crops, and fresh mature coconuts and frozen taro from Samoa.

**PT&I Beijing** facilitated the participation of FIC exporters at the prestigious SIAL China, in Shanghai. Pleass Global, a leader in the Fiji bottled water trade and Foods Pacific with their new line of curry sauces joined thousands of other world-wide food and beverage producers in Shanghai. Foods Pacific won the SIAL China Innovation Award over 49 other finalists for their Butter Chicken sauce. More than 100 leads were generated over the three days of trade promotion. Market insight reports on water and squash were published in response to growing demand from FICs for China market information. The PT&I Beijing has placed more emphasis this year on forging sound partnerships in China to support the growing trade, investment and tourism links between China and the FICs. There has been emphasis on strengthening FIC businesses in Southern China, the strongest market for Pacific Island products, for outbound tourism and for sourcing investment. The PT&I Beijing entered into cooperation agreements with the powerhouse economy of Southern China, Guangdong Province, at the provincial level, with the Department of Commerce; and with Chambers of Commerce at provincial and city levels.

**PT&I Geneva** supported export market penetration for businesses in Fiji, Niue, PNG and Tonga was assisted and resulted in exports to Malta, Ireland, Germany, Poland and the United Kingdom. Through the PT&I Geneva, Pacific artists took part in the OMIE Artists Exhibition at the Museum Fünf Kontinente, in Munich in the first quarter of 2015, with the support of the ArtKelch Gallery. ArtKelch had invited three senior OMIE artists to participate in their exhibition space at the internationally acclaimed art fair Art Karlsruhe in March 2015. OMIE Artists (Inc.) is a cooperative of OMIE tribeswomen barkcloth painters from Oro Province in Papua New Guinea. The first PT&I Pacific Trade booth at ANUGA 2015 (Cologne, Germany) provided a commercial platform for six Pacific islands food and beverage exporters in October 2015.

**PT&I Sydney**, in conjunction with SPC’s Increasing Agricultural Commodity Trade programme, organised the region’s participation in the Fine Foods Show in Melbourne in September which saw exhibits by 11 businesses from PNG, Fiji, Vanuatu, and Samoa. On the investment front, the PT&I collaborated with Investment Fiji and the Fiji Consulate office in Sydney on an Investment Mission to Fiji in August 2015. The Pathways 2 Finance programme saw training delivered in PNG and Cook Islands.

**The Pacific Islands Centre in Tokyo** faces immense challenges in promoting the Pacific island countries’ trade, investment and tourism opportunities to Japanese audiences given the sensitive nature of the Japanese market. Having forged strong partnerships with the FIC Embassies in Tokyo, Meiji University, the Investment Promotion Agencies in the FICs, national airlines and FIC Government Ministries, the PIC was better equipped to launch a series of seminars for Japanese companies across Tokyo, aimed at sharing pertinent information including the FIC investment climates, niche tourism markets and import opportunities.
A coherent approach to putting Trade Policy Frameworks into broader national development plans is crucial. The unanimous endorsement of the Solomon Islands National Trade Policy Framework by both sides of the Solomon Islands Parliament in April 2015 is a reflection of the bipartisan approach needed for sustainable and effective trade development.

The Forum Secretariat also facilitated peer learning on several on-going regional economic and development issues on the Forum Economic Ministers Meeting (FEMM) agenda. These included the Forum Compact, public financial management reforms, how to reduce the barriers to remittance flows, and work on accessing climate change finance that includes extending the regional framework for catastrophic risk insurance to provide greater resilience to disasters from extreme natural hazard events and from climate change.

To expand options for Members and improve their capacity to engage in trade, the Secretariat facilitated comprehensive consultations on trade in August 2015 to stimulate discussion between government representatives from the region, private sector representatives and political representatives. They considered emerging trade issues and their impact on the Pacific region. The discussions recognised the importance of trade to economic development and the need for more socialisation of trade issues, particularly at legislative level.
STRENGTHENED GOVERNANCE, LEGAL, FINANCIAL, AND ADMINISTRATIVE SYSTEMS
Through the **Forum Compact**, the Forum works to ensure continued strengthening of its governance, legal, financial and administrative systems.

The Forum Secretariat in 2015 continued to work with member states and development partners to assist with regional monitoring and reporting on the effectiveness of development efforts in the Pacific. It also organised and convened the Private Sector High Level Political Forum with Ministers of Finance and Forum Leaders.

Two annual regional progress publications were endorsed by Forum Leaders. The first covered the progress of the region in the achievement of the MDGs through the Pacific Regional MDGs Tracking Report. The second was the 2015 Tracking the Effectiveness of Development Efforts Report and its accompanying five year Pacific Country Peer Review Score Card which focused on strengthening country systems, institutions, capacities and partnerships, and proposed focusing on strengthening the means of implementation for the 2030 Agenda and Sustainable Development Goals. The report noted significant progress in strengthening institutions and capacities, and increasing development partner engagement in programmes and budget support. It also highlighted ongoing challenges in human resource capacities, fragmentation of Official Development Assistance (ODA) delivery and the need to have a coherent approach to the increasing and diversifying sources of development finance.

The need for **strong and sustained political leadership and ownership**, effective and coherent institutions, and mutually accountable partnerships were identified as being critical to development effectiveness and to sustainability. The Forum Secretariat also continued to facilitate capacity building for effective institutions, policies and capacities in national planning, and budgeting for public financial and aid management in Forum Island Countries through management of South-South attachments. The Forum Secretariat managed coordinated technical support to member countries undertaking review and development of new national development plans, as well as working with development partners like the UNDP and OECD to co-host workshops that develop skills to support more flexible strategic development planning and policy making.

Implementing the Compact initiatives involves complex change and there remains unfinished business. While there has been some positive progress in strengthening country institutions and policies for improved development effectiveness, practice in the Pacific region is still far from ideal. There are still instances where key development issues are not managed collaboratively across government. Budget processes remain heavily focused on compliance and more can be done on developing accountability. Public financial management reform is producing some improvement in repeat assessments, but underlying capacity and governance constraints are limiting progress. Despite a renewed focus on aid policies, the capacity and political backing to resource and implement them has been patchy. Aid fragmentation and the attachment to projects and multiple missions and the administrative burden they bring remain significant.

Over the next few years, Forum island countries will be absorbing the implications of the Sustainable Development Goals, the SAMOA Pathway, the Framework for Pacific Regionalism and other international frameworks for their national policy and planning. Critical to the implementation of the new global and regional frameworks is tailoring these policy frameworks into the context of Pacific administrations.

Financing for sustainable development remains the biggest challenge for FICs. Financing options determine how the Pacific economies can effectively invest in people, institutions and infrastructure, which are necessary for development, and have a critical role to play in meeting the development challenges as outlined in the SDGs. In this regard, the Secretariat presented a policy paper on the options for development financing and the scope for a regional financing mechanism at the 2015 FEMM. An additional paper on private sector financing was presented noting the specific needs of the Private sector. The issues and options discussed by the Forum Economic Ministers at the FEMM are expected to generate wider discussions in the region, and could result in identification of details and practical financing options to support FICs, such as contingent credit lines.

**Political Governance**

Recognising the core objective “to strengthen governance systems” under the Framework, the Forum Regional Security Committee (FRSC) established a governance Working Group with the view of reporting on governance issues
and/or initiatives in the Pacific region. Most importantly, the establishment of the Working Group was intended to: provide a platform by which implementing partners can ensure effective coordination and collaboration in the spirit of the Framework for Pacific Regionalism; and identify collective good governance issues and initiatives that need to be brought to the attention of Forum officials/or Ministers. The Working Group held its first meeting in November 2015 and was attended by implementing partners such as UNDP, UNODC, PASAI, POA, PIANZEA, PILON, PCPP, SPC-RRRT, PJDPC, CLGFP, International IDEA and PIPP among others. Discussions focused on issues relating to transparency, political corruption, (mis)use of political power, political interference, electoral integrity, and political instability. The Working Group’s report will be submitted to FRSC in 2016.

Through the Forum’s commitment to the principles of good governance espoused under the Biketawa Declaration, and the values underpinning the Framework for Pacific Regionalism, the Forum Secretariat provides electoral observation missions on the request of Member countries. Electoral observation is a vital part of the Forum Secretariat’s effort to support, strengthen and monitor good governance in the region. It provides the basis for identifying and recommending improvements to the democratic process, as well as a peer-to-peer mechanism whereby Member countries can also learn and share information with each other. In 2015, a Forum mission observed the elections of the Autonomous Region of Bougainville at the request of the Papua New Guinea Government.

Recognising resource and capacity limitations in the Pacific region for developing and drafting laws, the Forum Secretariat continued in 2015 to coordinate professional development opportunities to improve the legislative skills of government lawyers from Forum Island Countries, and provide assistance to Member countries in developing laws and legal resources.

In partnership with the Government of Samoa and the UNESCAP Pacific Office, the Forum Secretariat convened the Pacific Legislative Drafters’ Technical Forum in Apia, Samoa. Government lawyers from 14 Forum countries discussed issues of common concern and identified ways to improve legislative development and drafting, both through national actions and regional cooperation. The 2015 meeting of the Drafters’ Forum also included specialised training for lawyers on the UN Convention on the Rights of Persons with Disabilities. The Drafters Forum has been in place since 2012, and it has grown into a strong and collegiate network of legislative drafters across the Pacific.

The Forum Secretariat also provided support to the governments of Nauru and Tonga in developing national legislative drafting guides. The importance of governments having clearly explained legislative drafting processes has regularly been raised in regional meetings of government lawyers, including the Pacific Legislative Drafters’ Technical Forum and Pacific Islands Law Officers Network.

Support was provided to the Legislative Assembly of Tonga in the drafting of a Code of Conduct for parliamentarians, and collaborated closely with UNODC and GOPAC in the facilitation of a capacity building workshop for Parliamentarians and surveyors in Nauru in preparation of national consultations on the formulation of a Leadership Code for Parliamentarians.

The Forum Secretariat provided assistance around legislative obligations arising from the Convention on the Rights of Persons with Disabilities. In partnership with the UNESCAP Pacific Office, four Member countries – RMI, Nauru, Vanuatu, and FSM – undertook reviews of their national laws for compliance with the UN Convention on the Rights of Persons with Disabilities. Support included legislative drafting assistance to RMI in developing the Rights of Persons with Disabilities Bill 2015 and the Human Rights Committee Bill 2015. Both Bills were passed by the RMI Nitijela in August 2015. In partnership with the Pacific Disability Forum, the Secretariat also assisted in reviewing national disability policies for Vanuatu and FSM as well the development of the national disability policy for Nauru.

As part of the Secretariat’s ongoing support towards building capacity and skills of the legal officers from Forum Island Countries to translate policies into legislation, the Secretariat has provided financial support since 2007 towards the USP annual PDLD programme. In 2015, the Secretariat funded seven government lawyers from Fiji, Samoa, Solomon Islands, and Tonga.

In 2015 the Secretariat worked closely with
Member countries seeking to ratify the 2009 Amendments to the Pacific Islands Civil Aviation Safety and Security Treaty (PICASST). PICASST provides the international legal underpinning for the Pacific Aviation Safety Office (PASO), a regional agency based in Port Vila, Vanuatu, which provides aviation safety and security services to Forum Island Countries. In 2015 three Member countries ratified the 2009 Amendments, enabling the Amendments to enter into force and ensuring a sound legal basis by which PASO can provide a broader range of services to its Members.

Gender Responsive Policy Development & Decision Making for Women

The reaffirmed Leaders Gender Equality Declaration specifically calls for a commitment to ‘adopt measures, including Temporary Special Measures (TSM) to accelerate women’s full and equal participation in governance reforms at all levels of decision making’.

In 2015, the Secretariat partnered with UNDP and UNWomen to conduct a Pacific Regional Conference in November 2015 on Temporary Special Measures in an effort to generate better understanding among Member countries on TSM.

Pacific countries that have established TSM at some level of decision making such as Samoa, Bougainville, Vanuatu, New Caledonia, and French Polynesia were invited to share their experience with Member countries.

A joint regional tool kit on TSM is being developed, and is scheduled to be published in 2016.
SECURITY THAT ENSURES STABLE AND SAFE HUMAN, ENVIRONMENTAL AND POLITICAL CONDITIONS FOR ALL.
Throughout 2015 the Forum Secretariat worked with Forum Members to advance regional security priorities and initiatives involving cooperation and coordination, capacity building and technical assistance, international engagement, and emerging policy issues.

**Regional security cooperation and coordination**

As part of the Triumvirate responsible for monitoring RAMSI activities on the ground, the office of the Forum Representative to Solomon Islands (FRSI) closely monitors developments under the RAMSI, and liaises with the Solomon Islands Government to discuss the progress in the implementation of RAMSI programmes, inclusive of quarterly meetings with the Governor General. The 11th meeting of the Enhanced Consultative Mechanism (ECM) was held in May 2015. The Secretariat through the FRSI has also been in close consultation with the Solomon Islands Government to discuss their needs for institutional strengthening, as well as challenges associated with the RAMSI drawdown. In November 2015, at the request of the Solomon Islands Government, the Forum Secretariat provided a workshop for senior officials of the Solomon Islands Government to build capacity and institutional knowledge as RAMSI draws to a conclusion in mid-2017.

To support a more coordinated ‘whole of government’ approach to the issue of transnational organised crime, the Forum Secretariat developed the National Guide to Combat Transnational Organised Crime to provide Forum Members with policy guidance on how to address the issues at the national level. The Guide was developed with support from regional law enforcement and CROP agencies such as the Oceania Customs Organisation, Pacific Islands Chiefs of Police, Pacific Immigration Directors’ Conference, Forum Fisheries Agency, the Secretariat of the Pacific Regional Environment Programme, the Secretariat of the Pacific Community, Pacific Regional Immigration Identity Programme, and the Pacific Transnational Crimes Network. It was endorsed by the FRSC in June 2015.

The Forum Secretariat coordinated with relevant partners to develop a model law to assist Members in the implementation of the UN Convention Against Transnational Organised Crime and offered legislative drafting assistance for its national adaptation. The Forum Secretariat encouraged Members to enhance enforcement of existing regulatory provisions to protect commercial activities, monitor financial transactions, and strengthen anti-corruption measures. The Forum Secretariat also supported the establishment of multi-agency law enforcement structures such as Transnational Crime Units (TCUs) and Combined Law Agency Groups (CLAGs) to investigate criminal organisations and networks whose unlawful activities are often difficult to detect or disrupt. Discussions with national and regional law enforcement officials indicate that the strategic coordination of Members’ domestic responses to the threat of transnational crime still requires significant improvement and strengthening.

The annual meeting of the Pacific Islands Forum Working Group on Counter-Terrorism and Transnational Crime was held at the Forum Secretariat headquarters, and was co-chaired by the Secretariat and the Government of New Zealand. The purpose of the Working Group is to coordinate regional counter terrorism activities of Members and law enforcement partner agencies. Issues discussed included the threat of foreign terrorist fighters and UNSCR 2178, cyber security, the development of the National Guide to Combat Transnational Organised Crime, regional law enforcement information and the Regional Intelligence Management Strategy. The UNODC transnational organised Crime Assessment and Country updates were discussed at the meeting.

**Capacity building & technical assistance**

The Secretariat serves as a coordination point for law enforcement capacity building initiatives that have been developed to address regional security issues. The particular focus of the Secretariat in this area has been on supporting border security training. The programme of in-country inter-agency border security training was introduced in 2011 and to date, 12 out of 14 Forum Island Countries have received this training. The Solomon Islands became the most recent country to receive the training in 2015. The training programme targets all agencies involved in border control (i.e. immigration, customs, police, quarantine and biosecurity, civil aviation, ports and fisheries authorities, environment and security agencies, and airlines), and so far a total of 306 officials have participated.

A key aspect of the work to improve the capacity of regional security involved the Secretariat
providing technical support to Members to develop mechanisms to **combat transnational organised crime**. A major component of this activity involved supporting the Working Group for Strengthening Information Management (which was formed by the FRSC in 2010) to strengthen the capacity of national and regional law enforcement agencies to collect, manage and share information to combat transnational crime.

The 2015 Regional Law Enforcement Information and Intelligence Management Strategy in June 2015 proposes 13 key activities to be considered nationally for implementation based on domestic priorities. Under the Strategy, Members are requested to report back to the FRSC in 2018 on the implementation of the Strategy. At the national level, the Strategy encourages Members to: establish effective law enforcement information management systems and databases; develop an intelligence led institutional culture; ensure relevant domestic agencies share information and intelligence to strengthen national law enforcement capacity to target and disrupt criminal activities; prioritise training of law enforcement officers on the importance of information and intelligence products; and develop robust guidelines and oversight mechanisms to ensure all law enforcement activities support and comply with the rule of law and human rights.

**International engagement**

In 2015, the Forum Secretariat participated in high level international discussions on peace and security issues, in particular the UN Secretary General’s Retreat for Heads of Regional and Other Organisations (1-2 May 2015), and the Fifth High Level Meeting of the Inter-Regional Dialogue on Democracy (convened by International IDEA, 16 October 2015). In participating in these meetings, the Secretariat contributed the perspectives and experiences of the Pacific Islands Forum in addressing peace and security issues, learnt of the experiences and approaches of other regional organisations in this field and strengthened relationships with the UN and regional organisations.

2015 represented a significant year for the **South Pacific Nuclear Weapons Free Zone (SPNWZ) Treaty**, with 6 August marking the 30th anniversary of the Treaty’s adoption and signature in Rarotonga, Cook Islands. Over this period, the Treaty has established a strong regional legal framework to ban across a vast region the use, testing and possession of nuclear weapons, as well as dumping of radioactive waste. As the focal point for the Treaty, the Secretariat continued to ensure public awareness about the Treaty, and support Members in their advocacy about the Treaty in regional and international fora. In particular, the Secretariat provided a memorandum on the Treaty for the purposes of the 2015 Review Conference of Parties to the Treaty on the Non-Proliferation of Nuclear Weapons, held from 27 April to 22 May 2015. The Secretariat also provided a statement (delivered by the Government of New Zealand) to the Third Conference of States Parties and Signatories of Treaties that Establish Nuclear-Weapon-Free Zones and Mongolia.

To implement the Forums’ Regional Unexploded Ordnance (UXO) Strategy, the Secretariat in collaboration with relevant international demining organisations and key development partners has continued to coordinate and assist affected UXO countries with their UXO activities and in developing national UXO policies. In 2015, the Secretariat in collaboration with Safe Ground conducted a research project in Solomon Islands to produce a knowledge product on UXO in the Solomon Islands. The aim of the project was to generate greater awareness on explosive remnants of war in the Pacific and assist in attracting international funding to help ameliorate the problem. In May 2015, the Secretariat in partnership with the Solomon Islands Ministry of Police and National Security, Royal Solomon Islands Police Force, Golden West and SafeGround convened a one week UXO exhibition in Honiara.
Emerging issues and development of policy options

In partnership with United Nations University’s Institute on Globalisation and Mobility and Institute for Environment and Human Security, the Secretariat undertook research with the aim of understanding both the main human security challenges faced by climate-induced migrants when settling in receiving countries or communities and the major reasons for tensions or conflict. The research included a review of existing documentation as well as field work in Fiji, Tuvalu, Samoa and Kiribati.

In summary, the key lesson from the research is that the interaction between the drivers of migration and displacement (inclusive of climate related and human security factors), the human security consequences of migration and displacement, and the absence of legislation and policy to govern migration and displacement at the national and regional level, creates a context within which conflict can emerge. In order to prevent conflict, policies and legislation should not only address the key human security drivers and consequences of climate induced migration and displacement, but also recognise and enable migration as a suitable adaptation strategy.

The policy brief provides seven recommendations for promoting human security and minimising conflict associated with forced migration in the Pacific Region.
STRATEGIC PARTNERSHIPS & COORDINATION
The strategic partnerships that the Pacific Islands Forum develops and pursues, both within the region and beyond, facilitate an enabling environment for the achievement of the objectives of the Framework for Pacific Regionalism. Therefore, the emphasis of the Forum Secretariat’s partnership work in 2015 has been in communicating the principles of the Framework to Members, dialogue partners and regional stakeholders, as well as building support for the Framework’s priority initiatives.

In 2015, a number of strategic partnerships were forged and further developed to advance key Forum positions in relation to climate change, oceans and fisheries and the SDGs. The Post-2015 Summit on the Sustainable Development Goals and the 21st Conference of Parties (COP21) were priority international platforms for the Forum’s engagement in 2015, to ensure that the Pacific’s voice and interests were represented and reflected in the negotiated outcomes. In the lead up to these global negotiations, the Forum Secretariat supported the Forum membership to lobby dialogue partners on key Pacific positions, both during the annual Post-Forum Dialogue, as well as through a series of bilateral summitries with Japan, Thailand, India, United States of America, Republic of Korea and France.

In 2015, the Secretariat conducted a triennial assessment of Post-Forum Dialogue partners to inform future advocacy and engagement strategies for the Forum’s priorities identified through the Framework. This work informed the July 2015 Forum Foreign Ministers Meeting discussion of international engagement strategies for Forum priorities and positions the Forum to further determine priority partners for engagement in Leaders’ initiatives going forward. “2 examples of initiatives undertaken with assistance from Post Forum Dialogue Partners can be found on page 34”

**Council of Regional Organisations of the Pacific**

The Secretary General, as Permanent Chair of the Council of Regional Organisations in the Pacific (CROP), led the coordination of CROP agencies’ support to Forum members, both in terms of informing Pacific advocacy on key issues at international summities, as well as in support of the new regional public policy process under the Framework for Pacific Regionalism.

Under her leadership, CROP made significant strides towards a more strategic and collective engagement with external development partners and donors/financiers, notably in relation to joint programming for the Republic of Korea-PIF Cooperation Fund 2015-17 in the area of fisheries and maritime surveillance. A joint CROP approach to reviewing CROP working groups from April – October 2016, as well as furthering a strategy for greater alignment to the regional agenda going forward has strengthened CROP relations in support of the membership. It has also laid the groundwork for the planned 2016 analysis of regional governance and finance and garnered commitment amongst regional agencies to revisit the purpose and role of CROP in 2016.

**Smaller Island States**

The Smaller Islands States (comprising the Cook Islands, Kiribati, Nauru, Niue, Palau, Republic of the Marshall Islands, and Tuvalu) have had an identity as a subgroup within the Pacific Islands Forum for three decades. The group is built on recognition of their particular needs and challenges resulting from their smallness in terms of size, population and GDP, limited natural resources, isolation in terms of being widely dispersed and distant from markets, and finally their vulnerability.

SIS Leaders met in Palau in 2014 and decided that a priority action for 2015 would be the review of the SIS Programme Unit at the Secretariat, and in the process, identify an approach to strengthen the influence and strategic positioning of the SIS within the regional architecture.

Comprehensive and multi-stakeholder consultations across the region confirmed the need for an *overarching SIS Strategy*, and the need to elevate the status of the SIS Unit within the Secretariat hierarchy, and increased engagement in mobilising resources for the SIS Development Fund. The work of the SIS Strategy continues with the view for its adoption at a Special SIS Leaders Meeting in 2016.

At the SIS country level, the Secretariat continues its policy coordination and support effort through the SIS Regionalism Officers. The Regionalism Officers primarily monitor and facilitate regional processes in-country, in particular, socialising and advocating the regional public policy process under the Framework for Pacific Regionalism; articulating regional policy issues through preparations of briefing materials and communication; and in facilitating country level consultations and policy positions to regional issues.
2016 will be an important year for the SIS, with the work on the Strategy taking centre stage.

**Office of the Pacific Ocean Commissioner**

As envisaged in the region’s Framework for a Pacific Oceanscape - endorsed in 2010 by Leaders, 2015 saw the formal establishment and initial year of function of dedicated resources in the Office of the Pacific Ocean Commissioner (OPOC). These dedicated resources have enabled more strategic and holistic oversight of ocean issues to support the region and the Commissioner in communication and advocacy work. In its first year of operation, the focus of the OPOC was on establishing governance frameworks around the role of the Pacific Ocean Commissioner and the Pacific Ocean Alliance, and developing recommendations for an Advocacy and Communication Strategy for the Framework for a Pacific Oceanscape, which continues to guide strategic interventions, but is constrained by capacity and resourcing issues.

In 2015, the UNGA agreed to launch negotiations on an international legally-binding instrument on the conservation and sustainable use of biodiversity of areas beyond national jurisdiction. To support regional preparation, the first meeting of the Pacific Ocean Alliance, convened by the OPOC and facilitated by the Pacific Ocean Commissioner, was held 25-27 May 2015 in Lami, Fiji.

This meeting focused on the region’s priorities and interests as they relate to areas beyond national jurisdiction. There were over 120 participants, including representatives from national governments, Pacific UN Missions, regional and international inter-governmental organisations, regional and international non-government organisations, private sector, civil society and academic organisations. The meeting was successful in drawing together stakeholders that do not usually engage, nor have an existing platform to engage on these regional cross-cutting issues. The purpose of the meeting was to share information and start a regional dialogue on high seas issues in the context of upcoming international negotiations on biodiversity in areas beyond national jurisdiction.

The first working group of technical experts of the Pacific Ocean Alliance was held on 28 May at the Forum Secretariat. 20 technical experts were brought together to discuss the region’s interests and priorities as they relate to biodiversity in areas beyond national jurisdiction. These discussions were further refined into a technical paper for FICs, and continues to be a source of reference for negotiations.

The Alliance continued with the momentum of collaboration with a coastal clean-up of the shores of Suva Harbour to raise awareness of the impact that dumped plastic has on the health of our oceans, and therefore our people. Partnerships with SPREP and other Alliance partners led to shared stories and shared understanding across the region from Marshall Islands, through to Samoa and Fiji.

The Office, in collaboration with other CROP agencies, has been preparing for implementation of the World Bank-led Pacific Islands Regional Oceanscape Programme. In particular, the Office will focus on elements of the programme related to sustainable financing for the conservation of critical fishery habitats. Staged implementation will occur over the next 5-year period.

Work is being undertaken with the Australian Commonwealth Scientific and Industrial Research Organisation (CSIRO), FFA, SPC, USP and SPREP to develop an inventory of oceans initiatives and other relevant data and information. This includes development of a Pacific Ocean Initiatives Inventory, which is an online oceans project database to support decision making and integrated reporting requirements and will assist in the longer-term in assessing development effectiveness of ocean-related projects.

The Office focuses on coordinating technical advice from CROP agencies and other Pacific Ocean Alliance stakeholders on cross-cutting ocean related issues such as biodiversity in areas beyond national jurisdiction and the SDG 14 on oceans and seas, to support FICs, including Pacific UN Missions. The Commissioner was prominent in advocating for regional ocean issues, including the relationship between oceans and climate, in Paris for COP21.

Support for FICs in UN processes, such as biodiversity of areas beyond national jurisdiction, will be a key priority for the OPOC in the coming year, as will be securing resources to ensure consistent and stable governance to underpin support for countries.
Non-State Actors

The Non-State Actor (NSA) Programme “Strengthening Non-State Actors engagement in regional policy development implementation” supported by the European Union and implemented by the Forum Secretariat commenced in early 2015 and has got off to a solid start.

The inaugural Civil Society Forum was held in PNG in September 2015 for 44 NSA participants to discuss the five regional policy priorities recommended by the SSCR for the Forum Leader’s agenda and prepare position papers. NSA positions were presented to Troika Leaders prior to the Pacific Islands Forum Meeting and circulated to Member states following the meeting. NSA positions on climate change, West Papua and cervical cancer were reflected prominently in the Leaders’ communique.

There was strong NSA participation and engagement in the public policy process through the Framework for Pacific Regionalism. NSAs met with the SSCR twice in 2015. Eight briefing/training sessions held for NSAs on how to submit a concept for consideration as a regional priority over the implementation period. In 2015, eighteen out of 68 submissions by the public were from CSOs (some were collective submissions by multiple organisations). Four out of five policy priorities selected for the Leader’s consideration in 2015 were around themes submitted by CSOs. An NSA Grants Facility was established at PIFS with clear operating procedures, guidelines for applicants and a capacity assessment tool. A total of 22 proposals were received in the first call and seven contracts have been awarded to date.

Four formal meetings were convened for high level discussions on policy issues between the Forum Secretariat and NSA Executives. These were complemented by a series of informal monthly luncheon for NSAs to pop in and chat to PIFS staff. Outcomes of these meetings have resulted in closer collaboration between the Secretariat and NSAs on regional issues, including preparations towards COP 21 and at the NSA Dialogue on PACER Plus in Nadi in December 2015.

A regional CSO mapping exercise was commenced with 30 online survey responses received and 57 face-to-face consultations conducted in seven Forum Island Countries. Additionally, a NSA advisory group has been established to work with the PIFS NSA team to jointly develop a PIFS-NSA Engagement Strategy. The Draft strategy has been circulated for feedback and work on this will be ongoing in 2016.
Japan
The Forum Secretariat coordinates the US$66million (approximately 6.8 billion yen) Pacific Environment Community (PEC) Fund which was launched by the Government of Japan at the PALM5 Summit in 2009. Each Forum Island Country is provided with an allocation of US$4million to support projects with a focus on the provision of solar power generation systems and sea water desalination plants or a combination of both. In 2015, the Secretariat continued to ensure that all countries gain access to their individual PEC Fund allocations. A total of USD56million under the PEC Fund to support Member projects has now been committed through 16 projects across the 14 FICs. The main focus for Members in 2015 is to complete implementing projects on the ground.

Key achievements over the past year included the completion of installation in eleven out of the fourteen FICs and has enabled these countries to start to use and benefit from their solar or desalination equipment. These countries are FSM, Fiji (both desalination and solar projects), Kiribati, Nauru, Niue, Palau, RMI (both desalination and solar projects), Samoa, Solomon Islands, Tuvalu, and Vanuatu. PNG and Tonga are currently in the planning and design stage of their individual projects while Cook Islands is in the procurement stage.

The Federated States of Micronesia, Fiji, Kiribati, Nauru, Niue, Palau, RMI, Samoa, Solomon Islands, Tuvalu and Vanuatu continued to enjoy access to electricity generated by their solar power systems and the additional sources of safe drinking water from the sea water desalination plants. The Cook Islands, PNG and Tonga continued to make significant progress in project implementation and it is anticipated that installation will be completed by late 2016.

There were also handing over ceremonies held for Vanuatu’s Solar Powered Desalination Plant, Kiribati’s Solar PV Grid Project and RMI’s Portable Water Solutions for Outer Islands.

Overall, 16 projects have been implemented in 14 FICs with 11 Members having now completed installation of their solar power generation systems and sea water desalination plants. The Secretariat has now disbursed approximately 75% (US42million) of the US$56million allocated for projects to Members for project implementation.

European Development Fund & Regional Authorising Officer
The Forum Secretariat is the Duly Mandated Regional Organisation (DMRO) and the Secretary General is the Regional Authorising Officer (RAO) for coordination of the design and implementation of the Pacific Regional Indicative Programme (PRIP) financed from the 11th European Development Fund (EDF). In line with the objectives of Pacific Regionalism, the PRIP focuses on the following key areas.

- Regional Economic Integration (Euro 50 million);
- Sustainable Management of Natural Resources and the Environment and Management of Waste (Euro 52 million); and
- Inclusive and Accountable Governance and the respect of Human Rights (Euro 18 million).

In addition, a total of Euro 46 million is allocated to an Investment Facility, whereby grant funds are merged with commercial loans to support regionally important private sector projects. Roughly 20 million Euros have already been earmarked for a regional marine infrastructure project.

2015 saw the finalization of the PRIP with 166 million Euro being committed to the region. A high level signing ceremony for the EDF-PRIP took place on 16 June, 2015 between the Secretary General, Dame Meg Taylor and Neven Mimica, the EU Commissioner for International Cooperation and Development. The signing ceremony coincided with the 2nd Pacific Regional Steering Committee for the Pacific. In this meeting at the Forum Secretariat Headquarters, a wider spectrum of stakeholders attended the meetings, including National Authorising Officers from the Pacific – ACP States.

The Forum Secretariat travelled to the Solomon Islands, Papua New Guinea and Tonga in order to increase awareness of the 10th and 11th EDF, and the role of PIFS as DMRO and the Secretary General as RAO in the Pacific region. These workshops were well appreciated by all of the countries that were visited, and there was resolve that missions such as these should be repeated across the region into the future. €71 million worth of programmes are now expected to be approved before end of 2016.

POST FORUM DIALOGUE PARTNERSHIPS
WHO WE ARE

ANDIE FONG TOY
Deputy Secretary General
Economic Governance and
Political Governance and
Security Programme

DAME MEG TAYLOR
Secretary General

CRISTELLE PRATT
Deputy Secretary General
Corporate Services and
Strategic Partnerships and
Coordination Programme

DIRECTORS

SHIU RAJ
Director Economic
Governance Programme

DESNA SOLOFA
Director Political
Governance and
Security Programme

ALEX KNOX
Director Strategic
Partnerships and
Coordination Programme

SIMON CLEGG
Director Corporate
Services

STAFF PHOTO 2015
Corporate Services includes the following services: Organisational Development, Human Resources and Administration, Financial Services, Information Management, Information & Communications Technology (ICT), Property Services and Legal Services. The programme is currently implementing a series of projects as part of its continuous improvement process.

Organisational Development
To ensure that the Secretariat was well positioned to support effective implementation of the Framework, the Secretariat commenced an organisational change process in 2015.

The Secretary General held an immersion week for all staff in early February 2015, to ensure common understanding of the Framework for Pacific Regionalism, and the Forum Secretariat’s role and purpose in respect of it.

A series of internal working committees and task forces helped identify the changes that need to occur across the Secretariat as a result of the Framework for Pacific Regionalism and broader, necessary institutional reforms required to become a more efficient, effective and relevant organisation.

All staff were able to participate in the various efforts to shape strategic and corporate reforms, which has culminated in the development of a new 3-year strategic Results Framework. Significantly, this shift to results-based planning and budgeting has supported a strengthening in the Forum Secretariat’s coordination of cross-sectoral work.

Following the decisions of Forum Leaders in Port Moresby in September 2015, the Secretariat finalized its strategic plan for 2016-2018, which was approved by the Forum Officials Committee in December 2015. This set out its work under five key Results Areas:

1. Delivering a Prioritized Regional Agenda for Leaders and Members
2. Implementing Leaders’ Priorities
3. Providing Policy Analysis and Advocacy for Sustainable Economic Development
4. Providing Policy Analysis and Advocacy Good Governance & Security
5. Ensuring our Corporate Efficiency to deliver these outcomes

Financial Services
The Financial services team is responsible for the Secretariat’s funds and reporting on their use. The team’s focus in 2015 was on restructuring the 2016 Budget around the new strategic results framework, reformatting its presentation and addressing significant budget constraints whereas the former budget format adopted in 2009 was based upon programmes and mixed funding sources, the 2016 Budget was restructured to provide clarity on funding under the control of the Forum Officials Committee and to show clearer linkages between funding and the delivery of results.

This involved the amalgamation of the two discretionary budget categories, the Regular Budget and the Core Budget, into a new combined Primary Budget. The Primary Budget comprised all the discretionary funds and these were allotted to the core work priorities within the five KRAs.

The Extra Budget, which is comprised of donor funded projects for donor specific activities, has been demarcated from the Primary Budget. However there are some Extra Budget allocations that have been matched to the relevant KRAs where their objectives have a clear connection with that KRA. Those Extra Budgets that were not directly linked to the Secretariat’s core policy advice function – such as the PEC fund, Office of the Oceans Commissioner and EU functions - were categorised as Associated Functions.

The Forum Officials’ Committee approved changes to the Financial Regulations in December 2015, which gave effect to these structural changes. It also passed a 2016 Budget that reduced expenditure by $2.3 million from 2015 and agreed to an increase in membership assessments of 25% - the first since 2011 - as an initial step to put in place a sustainable funding strategy for the Secretariat.

Human Resources and Administration
Human Resources team supports the management and development of the Secretariat’s people. Over the year the team continued background implementation work on the Human Resources Strategy and facilitated a Strategic Triennial Remuneration Review for participating CROP agencies. It also developed a new training and development programme to support and enhance staff skills in the areas identified in the change process.
**Property Services**

Property Services is responsible for the overall administration of PIFS’ facilities and assets in the campus.

The key achievements for 2015 include the following:

- Completion of planned building maintenance works in offices and residences.
- Security improvements including the completion of the perimeter fence upgrade and perimeter fence walkway.
- Under the green initiative program, completion of B18 rainwater harvesting system and installation of perimeter fence line solar lighting.
- Completion of Business Continuity Plan and other workplace compliance and safety work.

**Procurement & Information Management**

Information Management administers the Secretariat's records and information resources. In 2015, the team took on the added responsibility of centrally managing all of the Secretariat's procurement related records and information. This followed the approval and implementation of the Secretariat's new procurement and related policies in 2014. The procurement work encompassed the creation and maintenance of central procurement registers for tenders, contracts and purchase orders and ensuring all procurement records are deposited with the IM office. It also included the content management of a new Tender Microsite that was launched in March 2015, which has led to greater visibility and transparency of the Secretariat's procurement practices and policies.

**Information & Communications Technology**

The ICT team provides and supports the Secretariat's information technology and communications. The team moved to adopt and apply the internationally accepted ITIL (Information Technology Infrastructure Library) of practices during 2015 as its underlying operating framework. This will help align ICT services with the Secretariat's business needs.

Operating under this framework the team initiated a programme of preventative maintenance to address out of date infrastructure, and replace this with more modern equipment, systems and service arrangements. The team commenced a three year network upgrade programme focused on the replacement of old hardware and cabling systems and the migration of current applications to new platforms.

A particular emphasis of their work was the identification of savings in the areas of mobile phone services, printing and internet provision following tender processes. The benefits of these processes will be realized during 2016.
AUDITED FINANCIAL STATEMENTS
SECRETARY GENERAL’S STATEMENT

I am pleased to present the Secretariat’s financial statements and independent auditor’s report for the year ended 31 December 2015.

During the year, we expended FJD42m, while our total cash and investment holdings at year end amounted to FJD51m.

I remain conscious of the responsibility entrusted to the Secretariat by Members of the Pacific Islands Forum, and by our development partners, to manage such a substantial level of funding. I therefore reaffirm our commitment to ensure that these financial statements provide an accountable and transparent summary of the Secretariat’s financial activities for the 2015 financial year.

In my opinion:

a. the accompanying general fund statement of comprehensive income is drawn up so as to give a true and fair view of the results of the Secretariat for the year ended 31 December 2015;

b. the accompanying statement of financial position is drawn up so as to give a true and fair view of the state of the Secretariat’s affairs as at 31 December 2015;

c. the accompanying statement of changes in funds is drawn up so as to give a true and fair view of the movement in funds of the Secretariat for the year ended 31 December 2015;

d. the accompanying statement of cash flows is drawn up so as to give a true and fair view of the cash flows of the Secretariat for the year ended 31 December 2015.

Dated at Suva this 29 day of April 2016

Dame Meg Taylor
Secretary General
INDEPENDENT AUDITOR’S REPORT TO THE MEMBERS OF THE PACIFIC ISLANDS FORUM SECRETARIAT

We have audited the accompanying financial statements of Pacific Islands Forum Secretariat (the Secretariat) which comprise the statement of financial position as at 31 December 2015, and the general fund statement of comprehensive income, statement of changes in funds and statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory notes as set out on pages 3 to 23.

Members’ and Management’s Responsibility for the Financial Statements
The Secretariat is responsible for the preparation of financial statements that give a true and fair view in accordance with International Financial Reporting Standards and for such internal control as the Members and management determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor’s Responsibility
Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor’s judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity’s preparation of financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity’s internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion
In our opinion, the financial statements give a true and fair view of the financial position of the Secretariat as at 31 December 2015 and of its financial performance, its changes in funds and its cash flows for the year then ended in accordance with International Financial Reporting Standards.

Report on Other Legal and Regulatory Requirements
We have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purposes of our audit;

In our opinion,

i) proper books of account have been kept by the Secretariat, so far as it appears from our examination of those books;
ii) the financial statements are in agreement with the books of account; and
iii) to the best of our information and according to the explanations given to us the financial statements give the information required by the Secretariat’s financial regulations in the manner so required.

29 April, 2016
Suva, Fiji

KPMG Chartered Accountants

KPMG
### GENERAL FUND STATEMENT OF COMPREHENSIVE INCOME

For the Year Ended 31 December 2015

<table>
<thead>
<tr>
<th>INCOME</th>
<th>Note</th>
<th>2015 FJD</th>
<th>2014 FJD</th>
</tr>
</thead>
<tbody>
<tr>
<td>Contributions from Members</td>
<td>3</td>
<td>4,046,251</td>
<td>4,028,426</td>
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<tr>
<td>Interest income</td>
<td></td>
<td>96,868</td>
<td>126,045</td>
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<tr>
<td>Recoveries income</td>
<td></td>
<td>1,848,800</td>
<td>1,904,550</td>
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<td>Administration fees received</td>
<td></td>
<td>1,265,110</td>
<td>1,266,719</td>
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<tr>
<td>Other income</td>
<td>4</td>
<td>3,144,685</td>
<td>435,486</td>
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<tr>
<td><strong>Total Income</strong></td>
<td></td>
<td><strong>10,401,714</strong></td>
<td><strong>7,761,226</strong></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>EXPENDITURE</th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Economic Governance</td>
<td>5 (a)</td>
<td>178,282</td>
<td>167,949</td>
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<tr>
<td>Political Governance and Security</td>
<td>5 (b)</td>
<td>412,931</td>
<td>624,283</td>
</tr>
<tr>
<td>Strategic Partnerships and Coordination</td>
<td>5 (c)</td>
<td>320,972</td>
<td>313,734</td>
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<tr>
<td>Corporate Services</td>
<td>5 (d)</td>
<td>5,309,644</td>
<td>6,395,553</td>
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<tr>
<td>Management of the Secretariat</td>
<td>5 (e)</td>
<td>2,854,831</td>
<td>2,616,755</td>
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<tr>
<td><strong>Total Expenditure</strong></td>
<td></td>
<td><strong>9,076,660</strong></td>
<td><strong>10,118,274</strong></td>
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<tr>
<td>Net Foreign Exchange (Loss)</td>
<td></td>
<td>(643,663)</td>
<td>(473,248)</td>
</tr>
<tr>
<td>Surplus/(Deficit) of Income over Expenditure</td>
<td></td>
<td><strong>681,397</strong></td>
<td><strong>(2,830,296)</strong></td>
</tr>
</tbody>
</table>

This statement to be read in conjunction with the notes to and forming part of the consolidated financial statements posted on the PIFS website: www.forumsec.org
### STATEMENT OF FINANCIAL POSITION

As at 31 December 2015

<table>
<thead>
<tr>
<th>CURRENT ASSETS</th>
<th>Note</th>
<th>2015 FJD</th>
<th>2014 FJD</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash and cash equivalents</td>
<td>6</td>
<td>48,927,796</td>
<td>56,271,986</td>
</tr>
<tr>
<td>Held-to-maturity investments</td>
<td>7</td>
<td>2,142,559</td>
<td>2,201,601</td>
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<tr>
<td>Inventories</td>
<td>8</td>
<td>8,626</td>
<td>11,780</td>
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<tr>
<td>Receivables-Members</td>
<td>9</td>
<td>641,007</td>
<td>464,270</td>
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<tr>
<td>Other receivables and prepayments</td>
<td>10</td>
<td>8,667,483</td>
<td>7,221,845</td>
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<tr>
<td><strong>TOTAL CURRENT ASSETS</strong></td>
<td></td>
<td><strong>60,387,471</strong></td>
<td><strong>66,171,482</strong></td>
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<tr>
<td>Property, plant and equipment</td>
<td>11</td>
<td>6,934,312</td>
<td>7,335,764</td>
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<tr>
<td>Intangible assets</td>
<td>12</td>
<td>58,795</td>
<td>79,884</td>
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<tr>
<td><strong>Total non-current assets</strong></td>
<td></td>
<td><strong>6,993,107</strong></td>
<td><strong>73,587,130</strong></td>
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<tr>
<td><strong>TOTAL ASSETS</strong></td>
<td></td>
<td><strong>67,380,578</strong></td>
<td><strong>73,587,130</strong></td>
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</table>

<table>
<thead>
<tr>
<th>CURRENT LIABILITIES</th>
<th></th>
<th>2015 FJD</th>
<th>2014 FJD</th>
</tr>
</thead>
<tbody>
<tr>
<td>Current Payables</td>
<td>13</td>
<td>1,747,477</td>
<td>2,013,344</td>
</tr>
<tr>
<td>Contributions received in advance - Trust Funds</td>
<td>14</td>
<td>56,389,309</td>
<td>61,705,434</td>
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<tr>
<td>Deferred Income - General Fund</td>
<td>15</td>
<td>505,401</td>
<td>1,010,802</td>
</tr>
<tr>
<td><strong>TOTAL CURRENT LIABILITIES</strong></td>
<td></td>
<td><strong>58,642,187</strong></td>
<td><strong>64,729,580</strong></td>
</tr>
<tr>
<td>Deferred income - General Fund</td>
<td>15</td>
<td>-</td>
<td>505,402</td>
</tr>
<tr>
<td><strong>TOTAL NON-CURRENT LIABILITIES</strong></td>
<td></td>
<td><strong>58,642,187</strong></td>
<td><strong>65,234,982</strong></td>
</tr>
<tr>
<td><strong>TOTAL LIABILITIES</strong></td>
<td></td>
<td><strong>58,642,187</strong></td>
<td><strong>65,234,982</strong></td>
</tr>
<tr>
<td><strong>NET ASSETS</strong></td>
<td></td>
<td><strong>8,738,391</strong></td>
<td><strong>8,352,148</strong></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Accumulated and Reserve Funds</th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>General Funds</td>
<td></td>
<td>3,816,210</td>
<td>2,491,156</td>
</tr>
<tr>
<td>Exchange translation reserve</td>
<td></td>
<td>110,764</td>
<td>754,427</td>
</tr>
<tr>
<td>Capital Reserve</td>
<td></td>
<td>4,811,417</td>
<td>5,106,565</td>
</tr>
<tr>
<td><strong>TOTAL ACCUMULATED AND RESERVE FUNDS</strong></td>
<td></td>
<td><strong>8,738,391</strong></td>
<td><strong>8,352,148</strong></td>
</tr>
</tbody>
</table>

For the Pacific Islands Forum Secretariat

Dame Meg Taylor
Secretary General

Simon Clegg
Director Corporate Services

This statement to be read in conjunction with the notes to and forming part of the consolidated financial statements posted on the PIFS website: www.forumsec.org
### GENERAL FUND

<table>
<thead>
<tr>
<th>Description</th>
<th>2015 FJD</th>
<th>2014 FJD</th>
</tr>
</thead>
<tbody>
<tr>
<td>Balance at the beginning of the year</td>
<td>2,491,156</td>
<td>4,848,204</td>
</tr>
<tr>
<td>Surplus/(Deficit) of income over expenditure</td>
<td>681,391</td>
<td>(2,830,296)</td>
</tr>
<tr>
<td>Transfer from Exchange Translation Reserve</td>
<td>643,663</td>
<td>473,248</td>
</tr>
<tr>
<td>Balance at the end of the year</td>
<td>3,816,210</td>
<td>2,491,156</td>
</tr>
</tbody>
</table>

### EXCHANGE TRANSLATION RESERVE

<table>
<thead>
<tr>
<th>Description</th>
<th>2015 FJD</th>
<th>2014 FJD</th>
</tr>
</thead>
<tbody>
<tr>
<td>Balance at the beginning of the year</td>
<td>754,427</td>
<td>1,227,675</td>
</tr>
<tr>
<td>Transfer (to) General Fund</td>
<td>(643,663)</td>
<td>(473,248)</td>
</tr>
<tr>
<td>Balance at the end of the year</td>
<td>110,764</td>
<td>754,427</td>
</tr>
</tbody>
</table>

### CAPITAL RESERVE

<table>
<thead>
<tr>
<th>Description</th>
<th>2015 FJD</th>
<th>2014 FJD</th>
</tr>
</thead>
<tbody>
<tr>
<td>Balance at the beginning of the year</td>
<td>5,106,565</td>
<td>5,409,089</td>
</tr>
<tr>
<td>Purchase of Trust Fund Assets</td>
<td>-</td>
<td>13,721</td>
</tr>
<tr>
<td>Depreciation on PPE used for projects</td>
<td>(295,148)</td>
<td>(316,245)</td>
</tr>
<tr>
<td>Balance at the end of the year</td>
<td>4,811,417</td>
<td>5,106,565</td>
</tr>
</tbody>
</table>

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# Statement of Cash Flows

As at 31 December 2015

<table>
<thead>
<tr>
<th>Description</th>
<th>Note</th>
<th>2015 FJD</th>
<th>2014 FJD</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Cash Flow from Operating Activities</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Contributions from Members</td>
<td></td>
<td>4,215,870</td>
<td>4,421,324</td>
</tr>
<tr>
<td>Trust Fund income</td>
<td></td>
<td>31,270,189</td>
<td>32,193,120</td>
</tr>
<tr>
<td>Programme and project costs</td>
<td></td>
<td>(37,802,821)</td>
<td>(46,851,861)</td>
</tr>
<tr>
<td>Other operational costs</td>
<td></td>
<td>(6,938,630)</td>
<td>(7,434,168)</td>
</tr>
<tr>
<td>Interest received</td>
<td></td>
<td>96,975</td>
<td>149,884</td>
</tr>
<tr>
<td>Rent and other income</td>
<td></td>
<td>465,866</td>
<td>472,365</td>
</tr>
<tr>
<td>Realised exchange (loss)/gain</td>
<td></td>
<td>530</td>
<td>(16,502)</td>
</tr>
<tr>
<td><strong>Net Cash Flow (Used in) Operating Activities</strong></td>
<td></td>
<td>(8,692,021)</td>
<td>(17,065,838)</td>
</tr>
<tr>
<td><strong>Cash Flow from Investing Activities</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Proceeds from sale of property, plant and equipment</td>
<td></td>
<td>752</td>
<td>21,095</td>
</tr>
<tr>
<td>Payments for property, plant and equipment</td>
<td></td>
<td>(277,476)</td>
<td>(433,329)</td>
</tr>
<tr>
<td>Repayment/ (advance) from trade offices</td>
<td></td>
<td>-</td>
<td>779,666</td>
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<tr>
<td>Movement in held to maturity investments</td>
<td></td>
<td>59,041</td>
<td>(86,530)</td>
</tr>
<tr>
<td><strong>Net cash flow (used in) / from investing activities</strong></td>
<td></td>
<td>(217,683)</td>
<td>(280,902)</td>
</tr>
<tr>
<td>Effect on exchange rate changes</td>
<td></td>
<td>1,565,514</td>
<td>808,186</td>
</tr>
<tr>
<td>Net (decrease) in cash held</td>
<td></td>
<td>(7,344,190)</td>
<td>(15,976,750)</td>
</tr>
<tr>
<td>Cash and cash equivalents at the beginning of the year</td>
<td>6</td>
<td>56,271,986</td>
<td>72,248,736</td>
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<tr>
<td><strong>Cash and cash equivalents at the end of the year</strong></td>
<td></td>
<td>48,927,796</td>
<td>56,271,986</td>
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This statement to be read in conjunction with the notes to and forming part of the consolidated financial statements posted on the PIFS website: www.forumsec.org
FORUM COMMUNIQUE

FORTY-SIXTH PACIFIC ISLANDS FORUM
PORT MORESBY, PAPUA NEW GUINEA
8 - 10 SEPTEMBER 2015
1. The Forty-Sixth Pacific Islands Forum was held in Port Moresby, Papua New Guinea, from 8 – 10 September 2015 and was attended by Heads of State and Government of Australia, Cook Islands, the Federated States of Micronesia, the Republic of Kiribati, the Republic of Nauru, New Zealand, Niue, Palau, Papua New Guinea, Samoa, Solomon Islands, Tonga, Tuvalu, and Vanuatu. The Republic of Fiji and the Republic of the Marshall Islands were represented by their Ministers for Foreign Affairs.

2. French Polynesia, New Caledonia and Tokelau attended the formal session as Associate Members. Timor-Leste, the Africa, Caribbean and Pacific Group, the United Nations, the Western and Central Pacific Fisheries Commission, the International Organization for Migration and the World Bank attended as Observers. The Council of Regional Organisations of the Pacific (CROP): the Pacific Islands Forum Fisheries Agency (FFA); the Pacific Power Association; the Secretariat of the Pacific Community (SPC); the South Pacific Tourism Organisation; the Secretariat of the Pacific Regional Environment Programme; and the University of the South Pacific were represented by their respective Heads of Organisations and senior officials.

3. The Forum Leaders’ Retreat was held at Port Moresby on 10 September 2015.

4. Leaders expressed their deep gratitude to the Honourable Prime Minister Peter O’Neill, CMG, MP, the Government and people of Papua New Guinea for the excellent arrangements made in hosting the 2015 Leaders’ meeting, and for the kind hospitality extended to them during their stay in Port Moresby.

5. Leaders warmly welcomed the participation of Fiji at the Leaders meeting.

Framework for Pacific Regionalism

6. Leaders welcomed progress made in the implementation of the Framework for Pacific Regionalism, including the establishment of the Specialist Sub-Committee on Regionalism (SSCR). Leaders commended the Sub-Committee on its work, in particular the consideration of 68 submissions lodged by a wide range of proponents from Pacific governments, regional and international the national and regional level, creates a context organisations, civil society organisations and individuals. Leaders noted that the SSCR had identified five issues it considered met the tests for regionalism as specified in the Framework, which warranted Leaders’ consideration.

Fisheries

7. Leaders reaffirmed the central importance of increasing economic returns and ensuring the sustainable management of fisheries. Leaders further reaffirmed strengthening maritime surveillance and enforcement, noting the multi-dimensional nature of these issues.

8. Leaders acknowledged the current effort based management system (VDS) that has brought significant economic return to Parties to the Nauru Agreement (PNA). Leaders endorsed the Regional Roadmap for Sustainable Pacific Fisheries and directed that increases in economic return be achieved within five years. Leaders agreed that a joint taskforce of FFA, PNA and the Forum Secretariat would lead the development of a programme to increase the sustainable economic returns of fisheries, including examining a quota management system, and report back to Leaders in 2016. Leaders also welcomed New Zealand’s offer for ministers and officials to visit New Zealand to study New Zealand’s quota system.

9. Leaders tasked Fisheries, Economic and Foreign Ministers to undertake a joint comprehensive evaluation of the regional monitoring, control and surveillance, and compliance regime and report back to Leaders in 2016. The evaluation should reflect the importance of sharing technology and information and expressed their appreciation to Australia and New Zealand for assistance on surveillance.

Climate Change

10. Leaders reiterated their concerns that climate change remains the single greatest threat to the livelihood, security and well-being of the peoples of the Pacific. Leaders called for the adoption of an ambitious and legally binding agreement at the 21st Session of the Conference of the Parties to the United Nations Framework Convention on Climate Change (COP21). They strongly endorsed the Pacific Island Forum Leaders Declaration on Climate Change Action, attached as Annex 1, in advance of COP21.
11. Leaders extended the current two regional frameworks: the Pacific Islands Framework for Action on Climate Change; and the Pacific Disaster Risk Reduction and Disaster Management Framework for Action for one year.

Information Communications Technologies (ICT)
12. Leaders noted the unprecedented economic and educational opportunities that ICT offers, including access to world markets and global knowledge. Leaders also acknowledged the challenges to realising these benefits, which included, among others, under-utilisation of ICT services in Forum island countries (FICs), a lack of resources and expertise, and the threat of cyber-attacks and crime.

13. Leaders tasked the Forum Secretariat and USP to consider the merit of a regional ICT Advisory Council. The Council should not overlap with existing mechanisms and must deliver real deliverables.

Cervical cancer
14. Leaders noted the substantial burden that cervical cancer places on women and girls in the Pacific region as well as the insufficient response to address it across the region.

15. Leaders agreed, given current regional prioritisation of Non-Communicable Diseases, that developing a regional approach to address cervical cancer would require further consultation with relevant technical organisations and national authorities and consideration of resource allocation for prevention and treatment.

West Papua (Papua)
16. Leaders recalled their decisions and concerns expressed at their meeting in 2006 about reports of violence in Papua, in which they also called on all parties to protect and uphold the human rights of all residents in Papua and to work to address the root causes of such conflicts by peaceful means.

17. Leaders recognised Indonesia’s sovereignty over the Papuan provinces but noted concerns about the human rights situation, calling on all parties to protect and uphold the human rights of all residents in Papua. Leaders requested the Forum Chair to convey the views of the Forum to the Indonesian Government, and to consult on a fact finding mission to discuss the situation in Papua with the parties involved.

Hiri declaration
18. Leaders endorsed the Hiri Declaration on Strengthening Connections to Enhance Pacific Regionalism which is attached at Annex 2. The Declaration resonates strongly with the theme of the 46th Pacific Islands Forum and is intended for Leaders to deliver an overarching statement which complements the Framework for Pacific Regionalism by meaningfully and effectively connecting Forum countries to collectively address immediate and long term challenges.

Regional governance and financing
19. Leaders directed the commencement of the analysis of governance and financing options for collective action in pursuit of Pacific regionalism be completed in 2016, and for this work to be led by the Forum Secretariat in consultation with CROP and other stakeholders.

Forum foreign ministers
20. Leaders welcomed the convening of the Forum Foreign Ministers Meeting in early July 2015 in Sydney, Australia where discussions focussed on disaster management and international engagement of the Forum. In considering the recommendations put forward by the Foreign Ministers for their consideration, Leaders also reflected on the advantages and disadvantages of convening an annual meeting of Foreign Ministers.

21. Leaders agreed that Forum Foreign Ministers will meet annually from 2016, after the Forum Officials Committee Meeting, to assist and inform Leaders of relevant regional and international issues facing the region.

Ministerial meetings
22. Leaders agreed that decisions of regional ministerial meetings be provided to Leaders for oversight and where required for endorsement.
French polynesia

23. Leaders considered the report of the Forum Ministerial Mission to French Polynesia which took place from 20 to 23 July 2015 to assess its application for full membership of the Pacific Islands Forum. Leaders considered the key observations of the Mission, including whether the existing governance arrangements of French Polynesia formed the basis for its eligibility for full membership of the Forum, and to participate independently and effectively as a full member, in the full complement of political deliberation, decision making and commitments of the Forum. Leaders deferred the decision on the application of French Polynesia on full membership pending a review of the criteria for admission of new members to the Forum.

Regional assistance mission to Solomon Islands (RAMSI)

24. Leaders recalled that RAMSI’s drawdown, which is being progressed in accordance with the RAMSI Participating Police Force Drawdown Strategy 2013 – 2017, is due to be finalised by 30 June 2017. Under the Strategy, the primary area of focus is the development of leadership and accountability at all levels, with the objective of developing a modern, effective, accountable, and independent Royal Solomon Islands Police Force.

25. In commending the joint achievements made by the Solomon Islands Government and RAMSI to date, Leaders welcomed assurance by the Government and RAMSI, provided through the Enhanced Consultative Mechanism, that the Drawdown Strategy was a living document and as such would continue to work together to ensure that RAMSI’s activities remain aligned to the Solomon Islands Government’s priorities to ensure that gains achieved would be sustained into the future.

26. Leaders also noted Solomon Islands Government’s appreciation to members for work done under RAMSI, Australia and New Zealand for their financial support over the last 12 years and personnel from around the region that contributed to the mission. The Government has seen significant achievement in the restoration of law and order; improved financial systems; and benefits it has brought other Forum Island Countries in terms of skills learned in Solomon Islands.

Radioactive contaminants in the republic of the Marshall Islands

27. Leaders agreed to continue to support bilateral, regional and multilateral action to assist the Republic of the Marshall Islands in its efforts to engage the United States towards a justified resolution to the U.S. Nuclear Testing Programme. Leaders also considered submitting another letter to the U.S. Government urging the U.S. to take action to address meaningfully the lingering needs resulting from the U.S. Nuclear Weapons Testing Programme.

Strengthening the post-forum dialogue

28. Leaders considered the key findings of the 2015 reassessment of Post-Forum Dialogue (PFD) partners and noted with concern, among others, that there was limited regional cohesion by PFD partners due to varying levels of regional engagement, therefore making it difficult to identify where the Forum has formed clear issues-based coalitions with partners. Leaders also noted that financing of the regional agenda is fragmented through CROP agencies, the UN system and multi-country programming, and while trade and levels of aid were the primary measures of engagement for the majority of partners, this did not provide a complete picture of the political aspects of the Forum’s PFD relations.

29. Recognising the importance of partnerships and the opportunity provided by the Framework for Pacific Regionalism to further articulate the role that PFD partners can play with regard to the regional agenda. Leaders agreed to the need for Post-Forum Dialogue partners to align to the priorities presented by the Framework process. partners to align to the priorities presented by the framework process.

30. Leaders endorsed the outcomes of the forum foreign ministers meeting held in early July 2015 regarding a strengthened annual post-forum dialogue plenary which focuses on key forum priorities, as well as the opportunities for forum members to further engage with partners in the margins of international meetings.
Pacer plus

31. Considerable progress has been made since the launch of negotiations for pacer plus in 2009, with negotiations on most chapters close to conclusion and continuing positive engagement and flexibility shown by all parties. Leaders renewed their commitment to the pacer plus negotiations as an instrument for promoting regional integration in the pacific and assisting forum island countries to achieve robust economic growth and sustainable development.

32. In noting the substantive progress made in the pacer plus negotiations, leaders requested ministers responsible for international trade to ensure that their negotiators exercise the necessary flexibility in the negotiations to facilitate the rapid conclusion of a high quality trade and investment agreement at the latest by june 2016.

The post-2015 development agenda/ sustainable development goals

33. Leaders acknowledged that while the pacific region recorded mixed outcomes in achieving the millennium development goals (mdgs) by 2015, the majority of forum island countries managed to reduce child mortality and achieve universal primary education, while very few countries made gains in reducing poverty and achieving gender equality and the empowerment of women. Leaders expressed their support for a successful un summit for the adoption of the post-2015 development agenda and committed to the implementation of the sustainable development goals (sdgs), with particular attention to the region’s ‘unfinished business’ on the mdgs.

34. Leaders called for the support of development partners, consistent with their commitments under the samoa pathway and addis ababa action agenda, particularly in the areas of financing, statistics, partnerships, sdgs integration, and follow up and review, as well as acknowledging the special case of small island developing states. They also recognised the ongoing global discussions on the sdgs indicators through the Inter-agency and expert group on the sdgs indicators and called for the active participation of the region to influence these discussions through fiji and samoa who are members of this expert group.

35. Leaders emphasised a country-driven process in tailoring the global indicators to their national context and noted that once un member governments agree to the global set of indicators, there is merit in tailoring the global indicators to better reflect the pacific context and to use these regional indicators to monitor the pacific’s progress on the sdgs, including towards the high-level objectives of the framework for pacific regionalism and implementation of the samoa pathway.

36. Leaders called for an open and inclusive consultation process, accounting for national priorities, to select the relevant global sdgs indicators to the pacific context to ensure regional ownership. They also task the forum secretariat, in collaboration with crop and un agencies, to lead this consultation process, building on existing work streams to avoid duplication, with the aim of adopting regional indicators at the next forum leaders’ meeting in 2016, as well as outline a regional process for the follow up and review of the sdgs and samoa pathway that would seek to reduce the burden of reporting at the country level.

Implementation of the forum compact

37. Leaders endorsed the 2015 pacific regional mdgs tracking report and the 2015 tracking the effectiveness of development efforts in the pacific report. They also considered future reporting arrangements of the forum compact, and decided that future reports of the pacific regional mdgs tracking report and the tracking the effectiveness of development efforts in the pacific report be referred to the forum economic ministers for endorsement and to provide updates, if so required.

Pacific leaders gender equality declaration

38. Leaders reaffirmed their commitment to the implementation of the 2012 pacific leaders gender equality declaration. Leaders noted that while there has been notable progress on gender equality in three of the six key declaration areas: gender responsive policies and programmes, gender parity on education and ending violence against women, there has been less progress on women’s economic empowerment, and sexual reproductive and health services.
Smaller island states leaders meeting
39. Leaders noted the decisions of the smaller island states (sis) leaders meeting held in port moresby, papua new guinea, on 7 september 2015 including the sis leaders’ port moresby declaration on climate change.

Civil society organisation dialogue
40. Leaders noted the substantive dialogue and valuable exchange of ideas between the forum troika and representatives of pacific civil society organisations at the margins of the forum leaders meeting.

Date and venue of next meeting
41. Leaders welcomed and confirmed the future hosts of the forum as follows: the federated states of micronesia in 2016; samoa in 2017; nauru in 2018 and tuvalu in 2019.

Pacific Islands Forum Secretariat
Port Moresby, Papua New Guinea
10 September 2015
ACRONYMS

<table>
<thead>
<tr>
<th>Acronym</th>
<th>Full Form</th>
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<tbody>
<tr>
<td>ACP</td>
<td>African, Caribbean and Pacific</td>
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<tr>
<td>APG</td>
<td>Asia Pacific Group on Money Laundering</td>
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<td>Arms Trade Treaty</td>
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<td>Australian Agency for International Development</td>
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<td>Revised Pacific Platform of Action for the Advancement of Women and Gender Equality</td>
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<td>SIDS</td>
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<td>Acronym</td>
<td>Full Form</td>
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<tr>
<td>SIS</td>
<td>Small Island States or Smaller Island States</td>
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