

201 080-10-715 11-2009



SOUTH PACIFIC FORUM SECRETARIAT



1998/1999 ANNUAL REPORT

CONTENTS

1

FOREWORD

2

OVERVIEW

5

DEVELOPMENT & ECONOMIC POLICY

7

POLITICAL & INTERNATIONAL AFFAIRS

9

TRADE & INVESTMENT

13

CORPORATE SERVICES

14

SECRETARIAT STAFF

16

FINANCIAL SUMMARY

ISSN1562/4979

ANNUAL REPORT FORUM SECRETARIAT

CONTACT ADDRESS

Secretary General, South Pacific Forum Secretariat, Private Bag, Suva, Fiji

Tel: (679) 312 600 Fax: (679) 301 102, 305 554

E-mail: info@forumsec.org.fj Web: www.forumsec.org.fj

Mirror Site: <http://chacmool.sdn.p.undp.org/pacific/forumsec/default1.htm>



FOREWORD

I am pleased to introduce my second annual report for the South Pacific Forum Secretariat for the period 1998/1999.

1998/1999 has been a year of realignment and challenges for the organisation. I must again thank member countries for their cooperation and support during this period as well as the staff of the Secretariat for their efforts in meeting countries' needs. I am particularly thankful to the Chairs of the Forum, their Excellencies Mr Jacob Nena and Mr Leo Falcam, and to the Government of Tuvalu for chairing the Forum Officials Committee. A close and constructive rapport with the Chairs of the Forum and the Forum Officials Committee makes for a distinctly more productive and effective organisation and Work Programme on behalf of members.

During this period the Secretariat laid special stress on improving contact with member countries by a programme of visits to member countries, including various round table discussions with officials and ministers following the 1998 Forum and in advance of the 1999 Trade Ministers meeting. These meetings have proved very successful in ensuring that Forum positions and contentious issues are appreciated and understood by all member countries.

The highlight of the Secretariat's work is the Forum Leaders meeting, which in 1998 was hosted by the Federated States of Micronesia. As the premier regional gathering of Leaders, it is important for me and the Secretariat to provide whatever support is needed to ensure that Forum decisions remain relevant and meaningful for its members. Preparations for this year's Forum meeting, in Palau, have been carried out with this main objective in mind.

The other highlights of the year are the Ministerial meetings. In 1999 these included Communications Ministers on 19-21 April 1999, Trade Ministers on 1-2 June 1999, Pacific ACP Trade Ministers on 3 June 1999; Economic Ministers on 1-2 July 1999 and Aviation Ministers on 15 September 1999. Each of these meetings has made substantive progress in a range of areas with substantial sharing of information and development of common decisions in the face of rapid global change. The most outstanding example of the development of such decisions has been the Trade Ministers' decision to recommend to the Forum the establishment of a free trade area, amongst the island countries in the first instance, but with consideration of how such an agreement can be applied to Australia and New Zealand. Other meetings reached similarly far reaching and substantive decisions in different policy areas. An Education Ministers meeting has been foreshadowed for 2000 to add to the current calendar.

Another important task for the Secretariat, at the request of the Chair, has been to look at the Forum process with a view to maximising its effectiveness and value to Leaders. A draft paper has been made available to the Chair for consideration at the 1999 Forum in Palau.

One of the Secretariat's other responsibilities is to assist in coordinating regional agencies under the Forum umbrella. Two meetings of the then South Pacific Organisations Coordinat-

ing Council (SPOCC) have been held this year with appreciable progress and a range of agreements on matters of common interest. SPOCC's decision to change its name to the Council of Regional Organisations of the Pacific (CROP) reflects both the geographic changes in the Forum membership and members' determination to act in concert on behalf of Pacific nations.

An important organisational issue over the past 18 months has been assistance to a Forum Officials Committee Sub-Committee charged with identifying a transparent and equitable system for setting Secretariat staff remuneration. It is hoped that the Forum Officials Committee Sub-Committee will conclude its deliberations on the remuneration issue after this year's Budget FOC in November 1999. Perceptions of adequate and equitable remuneration are essential to staff retention and productivity.

Support for an organisation can be gauged by the level of funding that its members are willing to provide. In this regard, I would like to commend our member countries for their commitment to fund all the Secretariat's core activities from member contributions and to maintain or increase their overall share of the Secretariat's total budget. I hope the members can remain faithful to this important principle as a way of ensuring support and ownership of the Secretariat.

A significant portion (66%) of our overall budget of course continues to depend on donor funding, so I would again like to express, on behalf of the members and the Secretariat, deep appreciation for the continuous support from both traditional and new development partners. While project based and infra-structure funding can be attractive to donors and recipients, I believe the sorts of policy analysis and advocacy that the Secretariat provides, contributes as much, if not more, to the region's prosperity and the welfare of its citizens.

Finally I must thank the staff of the Secretariat for maintaining their efforts to provide professional advice and deliver quality service in the face of increasing challenges and pressures. There is no expectation that the pressures on our Work programme will reduce and I commend all staff for their attitude and determination to provide quality policy advice, programme coordination and advocacy on behalf of members.

I reiterate my personal commitment to maintaining the Secretariat reputation for excellence and service to the region. I commend this report to members and other interested stakeholders.



W Noel Levi, CBE

W Noel Levi, CBE

Secretary General

OVERVIEW

The Secretariat's Corporate Plan provides as follows:

- The primary responsibility of the Executive and Divisions of the Secretariat is to work towards achieving the following Corporate Objectives, which reflect the Secretariat's mandate from the Forum and corporate role. Each of the Divisions also has a more focussed Divisional Objective which reflects the core aim of that Division's programme activities. The Corporate Objectives of the Forum Secretariat are to:
 - implement the directives of the Forum, to disseminate its views and to represent its concerns effectively;
 - provide the Forum and its associated bodies with secretariat and support services;
 - provide quality policy advice and analysis to the Forum and its members, coordinating where necessary with the other agencies involved;
 - implement regional policies and programs that support the priorities of Forum countries and enhance their capacity to contribute to the welfare of their members, giving special attention to the smaller and more disadvantaged states;
 - promote sustainable regional development of the region in the interests of its people;
 - encourage regional cooperation and partnerships;
 - foster a commitment to excellence in the service of Forum members among Secretariat staff, including by developing staff resources; and
 - manage the resources of the Forum efficiently and effectively so as to

provide the best possible service to Forum members."

In 1998-99, these objectives have been fulfilled by a wide range of activities.

The Secretariat again provided member countries with the highest possible quality of policy advice and support services at Forum meetings. These meetings are where all the key policy decisions of the Forum are made, so they remain the Secretariat's most important priority. The most important meeting is the Forum itself but other Ministerial level meetings were held including Forum Communications Ministers, Forum Trade Ministers, Pacific ACP Trade Ministers and Forum Economic Ministers.

The Secretariat's performance benchmarks include high quality policy documentation for the meetings, efficient servicing, immediate production of out-

1998 SOUTH PACIFIC FORUM LEADERS, POHNPEI, FEDERATED STATES OF MICRONESIA



South Pacific Forum Leaders from the 16 member states meet annually to discuss issues of common concern and to agree on a Forum Communique outlining the region's positions on key issues.

SOUTH PACIFIC FORUM SECRETARIAT

come documents, and significant policy and other outcomes.

The Secretariat provided policy advice and information to members on the full range of issues referred to it by the Forum, by means of official circulars and in-country consultations and technical assistance.

Much of the policy analysis and advice to meetings and direct to member countries comes from the Secretariat's staff who monitor and participate in regional and international activities in order to advise members. Most of the documentation for meetings is prepared in collaboration with other regional and international organisations.

The Secretariat works actively with member countries to implement the directives of the Forum through follow-up visits and technical assistance. One important way of implementing Forum directives is through advocacy, regionally through dialogue with development partners and CROP agencies, and internationally through multilateral bodies and international negotiations. Country visits/consultations have been used more during the reporting period for advocacy and dialogue to ensure that Forum decisions are followed through at the national level.

A major policy output of this reporting period has been the historic decision by Trade Ministers to recommend the establishment of a free trade area to Forum Leaders. The Communication Ministers also agreed to recommend a Pacific Vision on Information to the Forum to guide the development of the information economy in the region. Economic Ministers recommitted themselves to economic and trade reforms, albeit at their own pace, and advanced the case for addressing the challenges of

globalisation through more appropriate education and training.

Other major policy initiatives on the Forum's agenda include the management of upper airspace, regional regulatory frameworks for telecommunications and airline security, the application of preventive diplomacy and liber-

alisation of services (telecommunication and civil aviation). This represents a significant body of work aimed at enhancing the capacity of members to respond to globalisation in a comprehensive and sustainable manner.

Sustainable regional development and regional cooperation are also pursued through the work of CROP which, under the permanent chairmanship of the Secretary General, is progressively enhancing the coordination and complementarity of regional work programmes.

The Secretariat coordinates implementation of some major donor regional programmes that provide around \$20 million a year for regional development projects implemented by CROP

members. These projects are over and above the direct assistance from standing funds provided by the Secretariat, mainly to its smaller members. In its policy work and technical assistance programs, the Secretariat takes full account of the special situation of smaller members, with their more limited policy resources and economic and environmental vulnerabilities.

All Secretariat staff are recruited on the basis of their willingness and capacity to dedicate themselves to serving the region. New performance contracting arrangements were introduced and implemented from January 1999 and measures are being put in place to further improve customer focus in the work of staff.

The Secretariat produced the outputs described in this report with 81 staff recruited from the region and/or provided by donors (43 support staff and 38 professional staff) three fewer professional staff than 1997/98, fixed assets of F\$10.8m and total expenditures of some F\$13.9m in the 1998/99 reporting year.



Professor Robert Scollay (left), author of a paper on free trade, and Dr Roman Grynberg, the Multilateral Trade Policy Adviser at the Forum Secretariat, are among specialists working on trade policy issues in the region.

STRUCTURE OF THE FORUM SECRETARIAT

The South Pacific Forum Secretariat is headed by Secretary General Mr Noel Levi, CBE, assisted by Deputy Secretary General Mr Iosefa Maiava.

The Secretary General is responsible to the Forum Officials Committee (FOC) for the management of the organisation. FOC comprises senior officials from member states.

The Executive provides high level representation at regional and international meetings and provides policy advice to South Pacific Forum Leaders and to Member Governments.

1998 FORUM OFFICIALS COMMITTEE



The Forum Officials Committee (FOC) is the governing body for the South Pacific Forum Secretariat and comprises senior officials from the member states. The FOC approves the organisation's Budget and Work Plan.



(L-R) Secretary General Mr Noel Levi, CBE; Deputy Secretary General Mr Iosefa Maiava; (back) Mr Stan Vandersyp, Director, Development & Economic Policy Division; Mr Jaindra Kumar, Director, Trade & Investment Division; Mrs Makurita Baaro, Director, Political & International Affairs Division; Mr Alex Nicolson, Director, Corporate Services Division.

DEVELOPMENT & ECONOMIC POLICY

The Division's objective is to assist Forum members in attaining sustainable development by providing policy advice and technical assistance on development and economic issues.

POLICY ADVICE AND TECHNICAL ASSISTANCE

A key strategy for the Division involves capacity building and assistance in economic management through the analysis of trends, policy parameters, reform programmes and strategic planning, training programmes and technical assistance.

A focal activity is the preparation of papers and organisation of the Forum Economic Ministers Meeting (FEMM). A notable outcome of the 1998 FEMM in June was the Ministers' recommendation to undertake further work on the development of a free trade agreement for FIC's. At the 1999 FEMM in Apia, Samoa in July, Ministers reviewed implementation of the *Forum Economic Action Plan* and recommended that work be undertaken in human resource development. This widens the *Action Plan* from a focus on reform issues and policies facilitating private sector development to encompassing the foundations of economic development, growth and consideration of the social impacts of reform.

Capacity building activities focused on workshops aimed at assisting members to integrate financial budgeting with strategic planning. The workshops encouraged the formulation and

implementation of consistent and mutually supportive government policies.

The Secretariat continues to be active in advocating the interests of members with the major international economic and financial institutions. Change in the graduation policy of the Asian Development Bank, which is now being reviewed, has been one key issue in 1999. Another has been the formulation of the report of the World Bank/Commonwealth Secretariat Task Force on Small States, which provides a comprehensive overview of the issues and is expected to be influential among international financial and trade organisations.

COORDINATION OF REGIONAL POLICY FOR SUSTAINABLE DEVELOPMENT

The Division's second strategy involves the coordination of regional development issues, based on the Regional Strategy process and involving liaison with regional and multilateral agencies, and provision of policy advice on economic infrastructure, natural resources, social and gender issues.

Coordination of the work of the region's inter-governmental organisations is an important focus for the Secretariat. Heads of these organisations met in June 1999 to discuss a wide range of common concerns. One decision agreed to a name change, from the South Pacific Organisations Coordinating Committee (SPOCC) to the Council of Regional Organisations of the Pacific (CROP).



Forum Economic Ministers Meeting, Apia, Samoa

SOUTH PACIFIC FORUM SECRETARIAT

Much of the regional coordination in policy and research takes place formally through working groups, such as those for land resources, marine, health and population. These processes strengthen more informal coordination, particularly through the use of information technology. The formation and continuation of working groups will fluctuate according to the priorities given to specific regional issues.

The CROP Regional Strategy and the Working Groups form an effective regional mechanism for the implementation of the CROP Charter. Multilateral processes are also linked to the CROP and its Working Groups (such as Post Lome Negotiations; UN Special Session and Commission on Sustainable Development, International Waters Program; UN Convention on the Law of the Sea & World Trade Organisation matters) to ensure effective regional participation at these international fora.

Over the last year, the Working Groups have continued to meet and work with non-CROP international agencies on sectoral and cross-sectoral issues. This extends the coordination of regional activities to those other development agencies working in the Pacific and underlines the commitment of CROP to collaborate widely and use regional resources effectively and efficiently.

The Secretariat has augmented its capacity in social policy in response to the greater urgency being accorded social and gender policy issues, especially against the background of accelerating economic reform. This will improve policy advice in health and population issues and allow increased attention to human resource development in fundamental areas such as education. Activity in social policy complements the ongoing work of the Division in gender issues, particularly through assistance to CROP and member countries in developing gender policies.

Work on regional aspects of infrastructure services remains a key focus for the Secretariat in many areas – notably telecommunications, aviation and shipping – economies of scale for services to small states are readily identifiable.

In 1998 Civil Aviation Ministers met to consider the recommendations from a series of workshops with the resultant Forum Civil Aviation Action Plan being implemented by groups of officials and the Secretariat. The outcome of this work was considered by Aviation Ministers in mid September 1999, including proposals for unified upper airspace management, a safety oversight committee and operating organisation, and liberalisation of air service routes.

Forum Communications Policy Ministers met in April 1999 to consider recommendations from workshops focused on the importance of global information technology and its impact on telecommunications. Significant actions included the adoption of a regional vision statement – proposed to be adopted with suitable adjustments at the national level – and agreement to consider proposals for a regionally based regulatory regime.

FACILITATION OF DEVELOPMENT COOPERATION

The third key strategy is centred on the development of greater cooperation among Forum members and their development partners, through improving the effectiveness of aid programmes at the regional level, and coordination of donor assistance and technical assistance programmes provided through the Secretariat.

In a departure from the previously biannual PIC/Partners meetings, a meeting was held this year on 5 July following the Forum Economic Ministers meeting. The 1999 PIC/Partners meeting considered the practical issues concerning the implementation of the *Forum Economic Action Plan*, focussing on challenges and how they might best be overcome.

Other activities involve the management and administration of the Smaller Island States Training and Development funds, and Short Term Advisory Services. Work has commenced on developing a database on donor policies by sector within the region.

The Division addressed a successor arrangement

for Lome IV, due to expire in early 2000. LOME IV has defined the relationship between the European Union and the ACP (African, Caribbean and Pacific developing countries). Features of this year's activities include the acceptance of the observership of six Forum members not members of the ACP, and the development of an agreed initial negotiating stance for the Pacific ACP countries.

The Secretariat has significant resources – funded by the EU – devoted to managing the EU Economic Development Funds (EDF) and other aid. This year sees the completion of most of the remaining projects begun under the Seventh EDF, with the main focus on coordinating a regionally based package of CROP project proposals for the Eighth EDF.

The Secretariat also manages Canada-South Pacific Ocean Development funds supporting four CROP agencies to undertake specific activities in the management of living ocean resources in the region. The benefits of C-SPOD have recently been extended to Nauru and Niue. ■



Briefing for development partners on economic reform programme

POLITICAL & INTERNATIONAL AFFAIRS

Divisional objectives include the promotion of the Forum's interests and positions in international fora and providing policy advice and assistance to members on international relations, law enforcement cooperation and political, legal and security issues.

SUPPORT FOR THE INTERESTS OF THE FORUM

The advocacy and implementation of Forum decisions is an important part of the Secretariat's work. Regionally this has been pursued through policy advice and technical assistance to members, country visits and regional meetings. Internationally, this has been pursued through international meetings and the Post Forum Dialogue mechanism. In close collaboration with other members of the Council of Regional Organisations in the Pacific (CROP), the Secretariat devoted substantial resources to the region's preparations for, and attendance at, key international meetings/negotiations including the UN Donors Round Table, the Seventh Session of the Commission on Sustainable Development (CSD7), the UN Framework Convention on Climate Change (UNFCCC) and the Fifth Session of the Conference of Parties (COP5), and Nuclear Non-Proliferation Treaty (NPT) meetings.

The Post-Forum Dialogue between the Forum and its development partners (Canada, People's Republic of China, European Union, France, Japan, Republic of Korea, Malaysia, the United Kingdom and the United States of America) remains a key mechanism for promoting regional concerns with interested extra regional states.

The Secretariat also publicises the views and activities of the South Pacific Forum through print and broadcast media, the Secretariat's Internet website (www.forumsec.org.fj), media briefings, public addresses and a variety of promotional materials. These efforts have had the impact of raising the profile of the South Pacific Forum while advancing and/or protecting the interests of the Forum members in the international

arena and with individual development partners.

ASSIST AND ADVISE FORUM COUNTRIES AND CROP ORGANISATIONS

A key strategy for ensuring appropriate coverage of issues in the international arena is to monitor/survey international developments relevant to Forum concerns and advise members on their implications.

The main areas of the Division's focus during the 1998/99 period include climate change with increasing emphasis on adaptation mechanisms and strategies; nuclear issues, with particular attention paid to high level waste shipments and nuclear free zones, liability and compensation and law of the sea; legal matters; transnational crimes and legislative responses to such crimes; and preventive diplomacy. Advice was provided to members on these issues through circulars and meeting papers and briefs.

The Secretariat continues to monitor regional issues that are of concern to its members including developments in New Caledonia. The Pohnpei Forum last year reaffirmed its support for continuing contact with all communities in New

Caledonia and reiterated its recognition of the rights of the people of New Caledonia to self-determination. In this regard, Leaders agreed to a continuing future monitoring role for the Forum Ministerial Committee on New Caledonia during the period of the Noumea Accords, particularly with respect to the referendum that will be conducted pursuant to the Accords. The Forum Ministerial Committee made up of Ministers from Fiji, Nauru and Solomon Islands visited New Caledonia in August 1999.

LAW ENFORCEMENT COOPERATION

Another important strategy of the Secretariat is to assist in promoting a stable security environment in the region.

The adoption of the Aitutaki Declaration by Leaders at the Rarotonga Forum in 1997 widened the Forum's interest from the law enforcement dimensions to include broader security concerns such as natural disasters, environmental damage and unlawful challenges to national integrity and independence. Substantial work has been done in the development of regional mechanisms for preventive diplomacy. This is likely to be an issue of increased importance.



*Forum Leaders brief media on the outcome of the 1998 South Pacific Forum.
(L-R) Secretary General Noel Levi, CBE, Vanuatu Prime Minister Hon. Donald Kalpokas,
Federated States of Micronesia President HE Jacob Nena,
Cook Islands Prime Minister Sir Geoffrey Henry.*

SOUTH PACIFIC FORUM SECRETARIAT

The Secretariat also continues to focus its efforts on capacity building in the law enforcement area. This included assistance for formulating suitable national drug policies; enacting appropriate anti-drug legislation; establishing a framework for cooperation and exchange of information; and equipping key operational officers with the skills required to detect, investigate and successfully prosecute cases of cross-border crimes. Assistance was also provided for law enforcement officials of member countries to attend a number of international meetings and training sessions.

Cooperation and coordination among law enforcement agencies continue to be enhanced as the Secretariat works closely with specialist regional agencies such as the Customs Heads of Administrations Regional Meeting (CHARM), now known as the Oceania Customs Organisation (OCO), Pacific Islands Law Officers Meeting (PILOM), South Pacific Chiefs of Police Conference (SPCPC), the Regional Heads of Prisons Meeting (RHPPM) and the Pacific Immigration Directors' Conference (PIDC).



Secretary General Noel Levi, CBE, with Nobel Peace Prize winner and East Timor independence advocate, Mr Jose Ramoa Horta, following talks on Forum issues.

LEGAL AND DRAFTING MATTERS AND DEPOSITORY SERVICE

An important function of the Secretariat is to assist members build capacity in legal and drafting matters. Limited in-house legal advice is available to members but advice is provided on development of legal issues within the

Commonwealth. Legal Drafting assistance has been provided in accordance with the 1998 Forum Regional Security Committee Action Plan. This is to assist members implement the commitments they made under the 1992 Honiara Declaration on Law Enforcement Cooperation and meet the commitment made by Leaders to have a regional legislative framework in place by 2000.

Assistance is also provided for members' legal officers to acquire drafting skills through attachments at larger legislative drafting offices and enrolment in the University of the South Pacific's Institute of Justice and Applied Legal Studies Diploma in Legal Drafting. It is hoped that this will assist members to become more self sufficient in legal drafting. In fulfilling its mandate in the legal area, the Secretariat works closely with key regional and international organisations such as the Pacific Islands Law Officers Meeting (PILOM), the Commonwealth Secretariat and the United Nations International Drug Control Programme (UNDCP).

The Secretariat also serves as depository for several regional agreements such as the Convention for the Protection of the Natural Resources and Environment of the South Pacific Region and related Protocols, the Waigani Convention, the Rarotonga Treaty and SPARTECA. ■



CLIMATE CHANGE CONFERENCE, COP4

(L-R) Hon Terry Coe, Niue; HE Vice President Leo Falcam, Federated States of Micronesia, Hon Prime Minister Bikenibeu Paeniu, Tuvalu; and Hon Ludwig Keke, Nauru, outline the region's position on climate change to media at the Fourth Conference of the Parties (COP4), United Nations Framework Convention on Climate Change.

TRADE & INVESTMENT



Delegates at the Forum Trade Ministers Meeting in June which endorsed in principle a Forum Island Countries Free Trade Area.

Divisional objectives include assisting members to improve their trade and investment performance by providing and arranging policy advice and technical assistance.

ASSISTANCE AND ADVICE TO GOVERNMENTS AND PRIVATE SECTOR

A key strategy of the Secretariat is to assist FIC Governments and private sector with their integration into the global economy, promotion of investment and commerce, and with improvement of import management. A key initiative under this strategy during the reporting period was the successful convening of the 1999 Forum Trade Ministers Meeting (FTMM) resulting in major decisions including:

- Recommending to Forum Leaders endorsement in principle of the establishment of a Free Trade Area among Forum members. This was a significant decision given that the concept of a free trade area has been discussed since the establishment of the Forum;
- Recommending to Forum Leaders the establishment of Forum representation in Geneva to facilitate engagement with the WTO and the multilateral trading system; and
- Agreement to establish a permanent working group to develop common positions for the up coming Millennium Round negotiations.

The Secretariat again convened workshops and Trade Ministerial meetings for the Pacific ACP member states to discuss and agree on a common approach to outstanding trade issues under the Post Lomé Negotiations.

Other WTO-related activities included assistance to Vanuatu in its accession process, and to the Solomon Islands and Papua New Guinea on their Trade Policy Reviews. In addition, workshops on Customs Valuation, Pre-shipment Inspection and Rules of Origin and the WTO Agreement on Sanitary and Phytosanitary Measures (with SPC) and Trade and Environment Seminar (with SPREP) were held. Assistance was also provided to the MSG for a review of the MSG trade agreement. The study was completed in the first quarter of 1999.

Investment Policy Support included consultations with member governments on improving their business climate; removing practical impediments to investment; constraints to tourism investment; and practical application of APEC non-binding investment principles. Assistance was provided to requesting FICs in the areas of incentives, procedures and policy.

Through the Forum's observership at the APEC process, the Secretariat has been able to promote the Forum's interests through the provision of briefs on regional decisions (eg. by the Forum Economic Ministers Meeting), socio-economic conditions and opportunities for investment. The Secretariat has

SOUTH PACIFIC FORUM SECRETARIAT



Pacific Handicrafts

been able to sponsor attendance by FIC officials and Ministers at APEC meeting exposing them to that process and engendering support for Forum decisions.

INCREASE THE SKILLS OF FIC GOVERNMENTS AND PRIVATE SECTOR

An important strategy for the Secretariat is to assist members build knowledge and skills in export market development and product identification and development. This is done through advice and reports to members and through meetings and workshops of Heads of Investment Promotion Agencies and Senior Trade Officials. Important initiatives include policy surveys and advice on the effect of members' business policies on trade and investment; studies on trade and investment opportunities for the Smaller Island States (SIS); marketing workshops in tourism and entrepreneurship skills development for women; training workshops in Import Procurement and Logistic Management; and in Petroleum Pricing and Standards. Advisory services on petroleum prices and negotiations were provided to member countries resulting in substantial savings in prices.

Practical assistance to the private sector was provided through the Industries Development and Training Programme

(IDTP), Marketing Support Fund (MSF) and Import Support Fund (ISF). These programmes help the private sector in establishing market opportunities, participating in trade fairs, and developing skills through on-the-job training and efficient procurement of imports. Assistance under IDTP ceased in 1999.

Eleven FICs benefited from participation at the World EXPO in Lisbon, Portugal from 22 May to 30 September 1998 organised by the Secretariat. Similar participation is expected at EXPO 2000 in Hanover, Germany and the Division is actively liaising with the organisers and the German Government for possible FIC participation.

INFORMATION FLOW

Compiling and disseminating information is important for the support of other Divisional strategies. Apart from results of surveys and studies mentioned above and reporting back to members through official circulars on other trade and investment activities, the Division also continues to publish a bi-monthly Trade Forum Newsletter, which is particularly effective in disseminating information to the private sector. The SPTC Sydney publishes a newsletter specifically for circulation in Australia. A 1999 update of the publication 'Foreign Investment Climate in Forum Island Countries' was published in July and issued through various channels. The PIC Tokyo has translated this booklet into Japanese and it has been included in the APEC investment guide. A consolidated trade directory for the FICs and the French territories is available in hard copy and digitally.

SUPPORT FOR EXPORT DEVELOPMENT, TOURISM AND TRADE

Apart from the assistance provided by the Secretariat from Suva, assistance is also available through the three Forum Trade Commissions, in Auckland, Sydney and Tokyo particularly for promoting members' exports, attracting investment and tourism, and other country-specific requirements for product development/marketing. ■

HEADS OF FORUM TRADE OFFICES: AUCKLAND, SYDNEY, TOKYO

*Secretary General Noel Levi, CBE (far right)
with Trade Commissioners.*

*From left: Yoshiaki Kotaki, Director,
Pacific Islands Centre, Tokyo, Japan;*

*Jaindra Kumar, Director, Trade & Investment Division,
Forum Secretariat which oversees the trade offices;*

*Parnesh Chand, Trade Commissioner, South Pacific
Trade Commission, Auckland, New Zealand;*

*Aivu Tauvata, Trade Commissioner, South Pacific Trade
Commission, Sydney, Australia.*



SOUTH PACIFIC FORUM SECRETARIAT

Main activities include handling enquiries; preparation of market reports and technical research in product development enabling FICs to meet the required standards in the NZ market.

Promotion of Pacific products and services through in-store promotions, such as food sampling, were also held and credit checks on New Zealand firms were undertaken following requests from FICs to ensure the promotion of sound investment opportunities. Arrangements were made for marketing and training attachments in New Zealand for private sector and government personnel and for the production of promotional brochures, exhibition participation, food processing ventures and technical advice.

Promotion of investment opportunities through the provision of relevant information to investors was actively pursued.

SOUTH PACIFIC TRADE COMMISSION, AUCKLAND



Trade Commissioner Mr Parmesh Chand, (standing right) and staff of SPTC Auckland

A series of in-country investment promotion seminars were held in the three major cities with over 120 representatives attending. There was definite interest recorded in tourism, agriculture, fisheries, waste recycling and garment manufacturing. The Commission played an important role in disseminating information on the Pacific Islands Investment Development Scheme (PIIDS) and assisted in identifying projects for assistance under the facility, including joint venture partners. The areas targeted for 1999 are those which continue to impact posi-

tively on the export and investment performance of PICs as well as those which improve the effectiveness of the Commission. 1999 is a special year given the hosting of APEC Meetings, America's Cup Challenge and the World Netball Championships in New Zealand. The challenge is how the Commission can maximise benefits from all these events for PICs. ■

SOUTH PACIFIC TRADE COMMISSION, SYDNEY

The South Pacific Trade Commission, Sydney, through its trade and industry development programs, provided substantial market support to various organisations and individuals in the region.

Participation at trade shows and fresh produce exhibits were among some of the direct sponsorship provided by the SPTC. Such involvement resulted in generating a greater awareness of the activities/programs of the SPTC, enabling staff to become more pro-active in marketing and promoting island exports and increasing the networking capabilities of the Commission.

In terms of investment strategies, assistance and advice was provided by way of promoting project profiles from the islands in the Australian market through various mediums like the monthly newsletter or direct contacts. The new look monthly newsletter provided an ex-



Trade Commissioner Mrs Aivu Tauvasa (second from right) and staff of

cellent source for promoting the activities of the Commission and highlighting upcoming regional events.

Market information on Australia was generated through quarterly statistical reports for selected industry and government agencies, and a number of

market studies were conducted on a range of agri-based products. The Commission's web-page underwent modification to make it more user-friendly. This exercise resulted in an increase in the hits on the web page and a higher number of enquiries. ■

SOUTH PACIFIC FORUM SECRETARIAT

PACIFIC ISLANDS CENTRE, TOKYO

The Centre increased its publicity and awareness raising on products, investment opportunities and tourism resources in the FICs; providing services and advice on trade, investment and tourism; collecting and analysing data; conducting research and studies; and facilitating technical cooperation in key areas.

A publicity campaign continues through Japanese language publications. The Centre has translated into Japanese the 'Foreign Investment Climate for Foreign Island Countries' publication in 1998, as well as 'First Steps for Doing Business in Japan'. These have been widely distributed in Japan.

With the assistance and co-operation of the Japan External Trade Organisation (JETRO), the Centre organised a Trade Ex-



Samples of Pacific products at exhibition

hibition and an Investment Seminar for the FICs from 10-15 November.

This was the first major task of the Centre within the first two years of establishment.

Facilities at the Centre's information hall included publications on the South Pacific and a 40-inch monitor on which contributions by the Tourism Council of the South Pacific (TCSP) are shown to attract tourists.

Consultation visits to various Pacific Island Countries including Vanuatu, Fiji, Tonga, Samoa, Republic of the Marshall Islands, and the Federated States of Micronesia were undertaken. These visits were used to provide valuable information on exporting requirements, accessing the Japanese market and to collect FIC products as samples for display.



South Pacific Forum and Japanese delegates open the South Pacific exhibition

CORPORATE SERVICES

The Division's objective is to provide comprehensive and cost effective human resources, financial, information and other support services to the Forum and its Secretariat, and to maintain the Forum buildings, grounds and other assets to the required standards.

BEST PRACTICE STANDARDS

1998/99 proved challenging in a financial sense, following the cost increases associated with the devaluation of the Fiji dollar and members' reluctance to increase contributions to cover more than a small proportion of the additional cost. Special attention therefore was devoted to cost reduction, liaison with potential new or additional donors, and administrative efficiency.

Additional donors included UNDP and the United Kingdom while traditional donors maintained their support. In addition, the Division's new policies in relation to investment and asset disposal and a review of energy efficiency and office utilisation have generated substantial cost savings and cash gains. These gains and realisation of windfall exchange rate gains have been directed towards the Regular Budget.

CSD maintained its commitment to best practice in the Secretariat with completion of an IT Strategic Plan and substantial progress towards an electronic library catalogue expected to be online by July 99. It also provided extensive support for the Forum Officials Committee Remuneration Sub-Committee seeking to establish a transparent and equitable remuneration system for Secretariat staff. During 1998/99 staff funded by UNDP, UK aid and the European Union were brought under Secretariat contract conditions with substantial savings to donor aid budgets.

MANAGEMENT CONTROLS

The Secretariat auditors, the Auditor General of Fiji, once again gave the Secretariat an unqualified audit report and noted a general improvement in internal control and record keeping compared to the previous year. As a result of the increasing complexity of the Secretariat's reporting and accounting arrangements and progress in software development the Secretariat has upgraded its finance software and hardware to current standards.

In 1999 the Secretariat produced a three year Budget and Work Programme for the first time and in 2000 we expect to enhance this to a three year rolling program in an outcomes-outputs format. Reporting to major donors will also



Secretariat assets include the Ryoichi Jinnai Conference Centre which offers a number of meeting rooms and other conference facilities.

be done on an outcomes-outputs basis tying in with the Work Programme. 1999 also saw the implementation of the Secretariat's Performance Management System where specific performance objectives were set for individual staff at the beginning of the year with reviews after six months and at the end of the year.

Two initiatives were commenced by the Division this year; the installation of a mirror site on the internet backbone in New York and the development of a

questionnaire for Ryoichi Jinnai Conference Centre users. The mirror site has subsequently improved access to the website for users outside Fiji. The address is:

<http://chacmool.sdp.undp.org/pacific/forumsec/default1.htm>.

The Division maintained its commitment to staff training and development and a formal Staff Training Policy was approved by the Secretary General. The Division also arranged for two priority setting workshops for its staff, facilitated by an external consultant. The workshops were highly successful in encouraging staff input and identifying priorities for management action.

MAXIMISING RETURNS

Careful monitoring of foreign exchange rates and interest rates saw major exchange gains and higher than budgeted interest earned in 1998. These gains partially offset increased costs brought about by a devaluation of the Fiji dollar in early 1998 but cannot be relied on in future years.

Following the completion of the Ryoichi Jinnai Conference Centre Business Plan in 1997/98, the Centre remains on target for cost recovery. Improved returns have permitted an improvement to its sound system. The Built Asset Management programme continued during the year in order to restore built assets to an economically acceptable condition and value. The repair programme is expected to continue in 2000 and wind down in 2001/2002.

Vacancies in rented housing space have been kept to very low levels permitting a surplus of nearly 45% on a cash basis from all rented property. Market rents are received in all cases. The success of renting office space within the Secretariat has encouraged the refurbishing of otherwise unusable space for 1998/99, which should be ready for occupation in July 1999.

SOUTH PACIFIC FORUM SECRETARIAT

FORUM SECRETARIAT STAFF JULY 1999

EXECUTIVE

W NOEL LEVI, CBE
IOSEFA MAIAVA
IONA MITCHELL
LOSANA KOROVULAVULA

SECRETARY GENERAL
DEPUTY SECRETARY GENERAL
SECRETARY TO SG
PERSONAL ASSISTANT TO DSG

PAPUA NEW GUINEA
SAMOA
FIJI
FIJI

DEVELOPMENT AND ECONOMIC POLICY DIVISION

C J (STAN) VANDERSYP
GAYLE NELSON
JOHN LOW
AMELIA KINAHOI SIAMOMUA
ALASTAIR WILKINSON
KENNETH MACKAY
MALCOLM PONTON
GEORGE BECK
FILIMONE WAQABACA
LORNA MOSESE
MARGARET WONG
MELANIA TUNIDAU
TAIVEI KWAN
ALUMITA MASITABUA

DIRECTOR
GENDER ISSUES ADVISER
RESOURCES ADVISER
DEVELOPMENT COOPERATION ADVISER
SOCIAL POLICY ADVISER
FIELD PROGRAM COORDINATOR
SENIOR TECHNICAL ASSISTANT (EC)
TECHNICAL ASSISTANT (EC)
ECONOMIC POLICY ANALYST
RESEARCH ASSISTANT (AVIATION)
DIVISIONAL ASSISTANT (SECRETARIAL)
DIVISIONAL ASSISTANT (ADMINISTRATION)
DIVISIONAL ASSISTANT (EC)
DIVISIONAL ASSISTANT (EC)

NEW ZEALAND
CANADA *
AUSTRALIA
TONGA
NEW ZEALAND
CANADA
SCOTLAND *
SOLOMON ISLANDS *
FIJI
FIJI
FIJI
FIJI
FIJI *
FIJI *

POLITICAL AND INTERNATIONAL AFFAIRS DIVISION

MAKURITA BAARO
ANDIE FONG TOY
MONIQUE FIENBERG
ULAFALA AIAVAO
BERNARD BATA'ANISIA
SHAUN EVANS
MOIRA REIHER
GRACE TIGAREA

DIRECTOR
INTERNATIONAL LEGAL ADVISER
INTERNATIONAL ISSUES ADVISER
MEDIA ADVISER
POLITICAL ISSUES ADVISER
LAW ENFORCEMENT LIAISON OFFICER
DIVISIONAL ASSISTANT (SECRETARIAL)
DIVISIONAL ASSISTANT (ADMINISTRATION)

KIRIBATI
NEW ZEALAND
AUSTRALIA
SAMOA
SOLOMON ISLANDS
NEW ZEALAND
FIJI
FIJI

TRADE & INVESTMENT DIVISION

JAINDRA KUMAR
ROMAN GRYNBERG
MICHAEL MULLINS
ALAN BARTMANOVICH
EDGAR COCKER
RIMA RAVUSIRO
MAATIA TOAFA
HENRY SANDAY
GLYNIS MILLER
VENIANA QALO RATABACACA
ADI TIKOMAIMALEYA
LILLIAN MITCHELL

DIRECTOR
MULTILATERAL TRADE POLICY ADVISER
SME ADVISER
PETROLEUM ADVISER
MARKETING OFFICER
TRADE DEVELOPMENT OFFICER
IMPORT MANAGEMENT OFFICER
INVESTMENT POLICY OFFICER
TRADE COMMISSION LIAISON OFFICER
RESEARCH ASSISTANT - TRADE POLICY
DIVISIONAL ASSISTANT (SECRETARIAL)
DIVISIONAL ASSISTANT (ADMINISTRATION)

FIJI
AUSTRALIA *
CANADA *
AUSTRALIA
TONGA
PAPUA NEW GUINEA
TUVALU
FIJI
FIJI
FIJI
FIJI
FIJI

SOUTH PACIFIC TRADE COMMISSION, SYDNEY, AUSTRALIA

AIVU TAUVASA
DILIP MAHANTY
MATTHEW LEE
MICHAEL HOGAN
MARLENE CADDEN

TRADE COMMISSIONER
MARKETING OFFICER
MARKETING OFFICER
MARKETING OFFICER
EXECUTIVE ASSISTANT

PAPUA NEW GUINEA
AUSTRALIA
AUSTRALIA
AUSTRALIA
AUSTRALIA

SOUTH PACIFIC TRADE COMMISSION, AUCKLAND, NEW ZEALAND

PARMESH CHAND
ANGELA BLAIR
CATHERINE GEORGE
JAMES MCGUCKIN
ANNE MURPHY

TRADE COMMISSIONER
MARKETING OFFICER
MARKETING OFFICER
MARKETING OFFICER
EXECUTIVE ASSISTANT

FIJI
NEW ZEALAND
NEW ZEALAND
NEW ZEALAND
NEW ZEALAND

SOUTH PACIFIC FORUM SECRETARIAT

PACIFIC ISLANDS CENTRE, TOKYO, JAPAN

YOSHIAKI KOTAKI	DIRECTOR	JAPAN *
YASUHIRO TASHIRO	DEPUTY DIRECTOR	JAPAN *
EIKO OTSUKA	EXECUTIVE ASSISTANT	JAPAN *

CORPORATE SERVICES DIVISION

ALEX NICOLSON	DIRECTOR	AUSTRALIA
RAVE TUA'TOKO	DIVISIONAL ASSISTANT (SECRETARIAL)	FIJI

ALBERT BLAIR	MANAGER, FINANCE SERVICES	AUSTRALIA
BODH SHYAM	FINANCE SERVICES OFFICER	FIJI
MAY FONG	FINANCE CLERK	FIJI
SASI LATA PRASAD	FINANCE CLERK	FIJI
SANGEETA DEVI LAL	FINANCE CLERK	FIJI

JANE SINGH	FINANCE CLERK	FIJI
FILIPE TUISAWAU	MANAGER, OFFICE SERVICES	FIJI
ANGEIA RICKETTS	PERSONNEL SERVICES OFFICER	FIJI
ROBERT MANOA	PAY CLERK	FIJI
BETH-ANN PETERSEN	DIVISIONAL ASSISTANT (ADMINISTRATION)	FIJI
MELE UTOIKAMANU	CONFERENCE & PROTOCOL OFFICER	FIJI
EDWEENA SAUTU	DIVISIONAL ASSISTANT/CPA	FIJI
MANOA KAIYANUYANU	PROPERTY SERVICES OFFICER	FIJI
PITA NAMESAU	PURCHASING OFFICER	FIJI
EFEREMO ELDER	MAINTENANCE ASSISTANT	FIJI
LUKE RATUMAINACEVA	MAINTENANCE ASSISTANT	FIJI
CHIN SAMI	MAINTENANCE ASSISTANT	FIJI
IOSEFO VULACA	MAINTENANCE ASSISTANT	FIJI
PAILATO RATUQALLOVI	DRIVER/MESSENGER	FIJI
JIOJI BOILA	DRIVER/CHAUFFEUR	FIJI
LAISANI TOKARUA	CLEANER/TEA LADY	FIJI
LAISA LUTU	CLEANER/TEA LADY	FIJI

DONITA SIMMONS	MANAGER, INFORMATION SERVICES	FIJI
LEONE PEDRO	COMPUTER SERVICES OFFICER	FIJI
ILISAPECI KURUVOLI	LIBRARY SERVICES OFFICER	FIJI
ILISAPECI RABUKA	LIBRARY ASSISTANT	FIJI
ESTHER FISHER	RECORDS MANAGEMENT ASSISTANT	FIJI
SAVITRI DEVI	RECEPTIONIST	FIJI

* These staff are contracted directly by donors. Their salaries are not included in the Secretariat's budget.



Forum Secretariat Staff

FINANCIAL SUMMARY

1 JANUARY 1998 31 DECEMBER 1998

Amounts F\$'000

REGULAR BUDGET

INCOME

Member contributions
Other sources

Actual
1998

Approved
1999

2,930 3,370
1,112 275
4,042 3,645

EXPENDITURE

Executive
Corporate Services
Development & Economic Policy
Political & International Affairs
Trade & Investment

805 752
1,849 1,966
235 230
390 411
263 286
3,542 3,645

EXTRA BUDGET

INCOME

Balance brought forward
Contributions from
 Australia
 New Zealand
 Japan
 European Community, France & Portugal
 UNDP/ESCAP
 Canada
 Taiwan
 Other

2,571 1,471
2,660 2,379
577 505
937 810
1,076 276
92 360
150 343
419 262
566 60
9,048 6,466

EXPENDITURE

Corporate Services
Development & Economic Policy
Political & International Affairs
Trade & Investment
Energy
Standing Funds

— 150
2,339 2,296
1,189 1,570
3,043 3,535
454 —
552 564
7,577 8,115

TRADE COMMISSIONS

Income
Expenditure

2,858 3,005
2,789 3,032



THE SOUTH PACIFIC FORUM COMPRISES SIXTEEN 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.

CONTACT ADDRESSES

SOUTH PACIFIC FORUM SECRETARIAT

Private Bag, Suva, Fiji.

Tel: (679) 312 600 Fax: (679) 301 023

E-mail: info@forumsec.org.fj

Web: www.forumsec.org.fj

SOUTH PACIFIC TRADE COMMISSION

Level 12, Jetset Centre, 48 Emily Place,
Auckland 1, New Zealand.

Tel: (649) 302 0465 Fax: (649) 377 6642

E-mail: info@sptc.or.nz

SOUTH PACIFIC TRADE COMMISSION

Level 30, Piccadilly Tower, 133 Castlereagh St,
Sydney, NSW 2000, Australia.

Tel: (612) 9283 5933 Fax: (612) 9283 5948

E-mail: info@sptc.gov.au

PACIFIC ISLANDS CENTRE

1st Floor (main wing), Akasaka Twin Tower,
2-17-22 Akasaka, Minato-ku, Tokyo 107, Japan.

Tel: (813) 3585 8419 Fax: (813) 3585 8637



