Australia New Zealand and the Pacific

# 2008 JOINT TRIENNIAL REVIEW

# AUSTRALIAN AND NEW ZEALAND APPROACHES TO SUPPORTING

# PACIFIC REGIONAL ORGANISATIONS

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# 1.   ACKNOWLEDGEMENTS

The Review team would like to acknowledge the dedication, effort and achievements that occur every day in Pacific island countries as a result of the commitment to strengthening regional cooperation and integration by Members and staff of Pacific regional organisations and their stakeholders.

We would like to thank all those who participated in the Review process across the region. In particular we are grateful to the management and staff of Pacific regional agencies for their time, input, honesty, valuable comments and feedback that provided the basis for discussion in the Review.

We would also like to thank NZAID and AusAID staff who participated and are particularly appreciative of the support provided by Christine Pahlman and Flynn Dovey of AusAID.

## 2.   EXECUTIVE SUMMARY

The Australian and New Zealand Pacific Regional Development Strategies provide frameworks and commitments to enhance regional approaches for better development outcomes in the Pacific. They highlight ongoing support of the *Pacific Plan* and the key role of Pacific Regional Organisations (PRO) in its implementation. This first joint Review of Australian and New Zealand (ANZ) approaches to supporting regional agencies[1] reconfirms the importance of improving PRO governance, capability and coherence to increase the national level impact of their work in delivering regional solutions to shared challenges.

2    The complex issues surrounding enhanced governance and capacity of these agencies are subject to the regional enabling environment that can facilitate or constrain their work and shapes their programs. These external issues need to be managed to the extent possible while striving for continuous improvement to effectively progress the regional agenda. Members have requested agencies to focus their roles and operations more directly on national outcomes, recognising that unclear mandates are prone to being diverted by differing agendas and competition for resources. To strengthen national level impact, improvements are required in PROs' governance, management administration, planning, budgeting, reporting and coordination processes.

3    A key element for improved governance is enhanced Pacific island countries' ownership of, and participation in, their regional agencies; and improved implementation by the agencies of Member-endorsed strategic plans and reporting on national impact and regional trends. It is the view of the Review team that ANZ are best placed to support this objective through their role as Members on the Governing Councils of PROs. Strengthening this role will underpin NZAID's Pacific Strategy and the Australian Government's commitment to a new era of cooperation with Pacific island countries.

4    As both countries are Members of PROs and also significant donors in the region, roles and relationships are often confusing. Although both roles can and do have similar objectives, the difference between being a Member **of** a regional agency and a donor **to** a regional agency is that Members meet regularly to discuss, agree and **set** the regional priorities that donors are expected to **align** with under their commitments to the *Paris Principles of Aid Effectiveness* and the *Pacific Aid Effectiveness Principles*. Improved bilateral, regional and whole-of-government policy coherence will help ensure greater clarity on ANZ's role on Governing Councils, a stronger focus on strategic consultation and negotiation with Pacific island Members and better alignment of ANZ support to regionally-agreed priorities.

5    ANZ's program funding assistance to PROs should be provided to fully-costed, multi-year, Member-endorsed plans to improve the governance, management, planning and reporting capacity of regional agencies and support the implementation of regional priorities. Additional project funding to contribute to these priorities should align with agency processes and systems to reduce the transaction costs placed on agencies. ANZ support should also focus on the organisational health of regional agencies and their institutional capacity for improved governance and program delivery. This could include secondments, attachments and the availability of a pool of appropriate technical assistance, including for senior management teams, for policy development, corporate planning, financial management, monitoring and evaluation and human resource development.

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[1] Pacific Regional Organisations reviewed include: Pacific Island Forum Secretariat (PIFS); Secretariat of the Pacific Community (SPC); Pacific Islands Applied Geoscience Commission (SOPAC); Secretariat of the Pacific Regional Environment Program (SPREP); Forum Fisheries Agency (FFA); South Pacific Board of Educational Assessment (SPBEA); and Pacific Power Association (PPA) and South Pacific Travel (south-pacific.travel), currently not funded by ANZ.

## 3.    INTRODUCTION

### 3.1    Background

6      The anticipated growth and developmental benefits of stronger Pacific regional cooperation and integration have been reflected at a political level during recent years through the 2004 Eminent Person's Group (EPG) review of the Pacific Islands Forum, the 2005 adoption by Pacific Leaders of the *Pacific Plan*, and their decisions to improve integration of PROs through the associated Regional Institutional Framework (RIF) reviews. These changing approaches to Pacific regionalism have occurred in a more complex environment with increased levels of aid flows to the region; the development of significant new ANZ regional initiatives[2]; the political and developmental focus on bigger, fewer, longer and deeper partnerships; strengthened whole of government (WoG) engagement; devolution of Australian aid management to overseas Posts; additional resources for the NZ Ministry of Foreign Affairs; and increasing focus on commitments under the *Paris Aid Effectiveness Declaration* and adoption of the *Pacific Aid Effectiveness Principles*.

7      ANZ Pacific Regional Development Strategies provide frameworks and commitments to enhance regional approaches for better development outcomes in the Pacific, highlighting ongoing support of the *Pacific Plan* and the key role of PROs in its implementation. The strategies identify the importance of improving governance and capacity of PROs to improve their accountability and performance at a national level in coordinating and delivering regional solutions to shared challenges.

8      As current three-year Australian Memoranda of Understanding (MOUs) and NZAID funding arrangements with regional agencies conclude on 31 December 2008[3], this first joint ANZ Review examines current assistance and relationships and recommends future support arrangements to the:

- Pacific Island Forum Secretariat (PIFS)

- Secretariat of the Pacific Community (SPC)

- Pacific Islands Applied Geoscience Commission (SOPAC)

- Secretariat of the Pacific Regional Environment Program (SPREP)

- Forum Fisheries Agency (FFA)

- South Pacific Board of Educational Assessment (SPBEA)

- Pacific Power Association (PPA) and South Pacific Travel (south-pacific.travel), currently not funded by ANZ[4].

9      The Review is also intended to replace AusAID's Project Completion Reports; inform Australia's Regional Aid Strategy post-2009; provide a basis for a New Zealand framework for engagement with PROs; and support implementation of NZAID's Pacific Strategy 2007-2015.

### 3.2    Approach

10      As directed by the Terms of Reference (refer Attachment D) and through wide-ranging documentation review and consultations within ANZ and in the region (refer Attachments E and F), the Review examines strategic and funding issues relating to ANZ's relationship with and assistance to PROs in regard to supporting their organisational governance and capacity to deliver services to their Members (Section 4). It acknowledges the role of PROs, discusses approaches to funding, management and their overall effectiveness, includes a summary assessment of agency governance

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[2] Including, inter alia, HIV/AIDS, non-communicable diseases, education, the Australia Pacific Technical College, the Pacific Leadership Program, the Regional Infrastructure Initiative, land management, and upcoming initiatives in climate change and disabilities.

[3] With the exception of NZAID's arrangement with FFA that concludes on 30 June 2009.

[4] Two other CROP agencies receiving ANZ support - the University of South Pacific (USP) and the Fiji School of Medicine (FSMed) - are subject to separate review by AusAID.

and capability (refer <u>Attachment B</u>), and highlights both generic and agency-specific issues and recommendations (Sections 5). As set out in the ToRs the Review is **not** intended as a comprehensive assessment of PRO performance in the region or of specific issues relating to their technical programs. Such assessments have been undertaken during the past three years, have informed this Review and are readily available to ANZ Government officials. In particular, the majority of the findings and recommendations of the 2005 *Review of Australia's Approach to the PROs* remain valid and are re-confirmed in this report. As well as personnel and timing constraints for this Review, consultations have indicated that, although the Pacific region and its regional agencies have been subject to extensive planning and review activities in recent years, on-the-ground activities have been under-implemented and outcomes under-reported - resulting in a degree of assessment scepticism and fatigue articulated by many stakeholders consulted during this Review.

11    Consequently, the approach of the Review acknowledges the strengths, weaknesses and risks of PROs and ANZ's relationship with them, but focuses specifically on operational recommendations that provide opportunities to enhance the impact of future ANZ support. With a range of achievements of regional agency performance regularly reported at respective regional meetings, discussion in this report focuses on identified issues for improvement. It concentrates on those areas that are realistically within the capacity of ANZ to influence as a Member and align with as a donor for better PRO performance. Recommendations, both generic across PROs and agency-specific, are highlighted in the report and summarised at <u>Attachment C</u> that also includes suggested timing for implementation and key responsibility areas.

12    The Review team considered three broad options for providing support to PROs under the next funding period. The first - maintaining 'business as usual' - was assessed as not adequate to effectively support delivery of services in a changing regional environment with increased demands on PROs' constrained capacity and resources. The second option - providing regional funding through bilateral programs – was raised in consultations as a means of strengthening national ownership by enabling Pacific island countries to directly purchase regional services. This would, however, require a significant change in the regional architecture, create greater levels of administrative complexity and the issue of inadequate core funding levels of PROs would still require attention.  To make more effective use of existing regional structures, the third option - **improving the quality of regional processes through improved ANZ engagement** - is the recommended approach and the basis of this Review.

## 4.    CURRENT ANZ APPROACHES TO FUNDING AND MANAGEMENT

### 4.1    Member and donor relationships

13    Despite broad ANZ commitments to PROs in respective Pacific regional strategies there is a lack of clarity on specific objectives for and engagement with regional agencies, at times resulting in a lack of policy and operational coherence. As both countries are Members of PROs and also significant donors in the region ANZ roles and relationships with PROs are often confusing to Pacific island Members, the regional agencies themselves, as well as ANZ officials[5]. Although both roles can and do have the same objectives, the difference between being a Member **of** a regional agency and a donor **to** a regional agency is that Members meet regularly to discuss, agree and **set** the regional priorities that donors are expected to **align** with under their commitments to the *Paris Declaration* and *Pacific Aid Effectiveness Principles*[6].

14    Managing this dual relationship presents challenges to ANZ that can manifest in unclear roles at Governing Councils, Ministerial meetings and separate strategic policy discussions with PRO Secretariats. Mechanisms such as High Level Consultations (HLCs) are not mandated as decision-making processes by formal PRO governance structures. They can undermine other Members'

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[5] This was a consistent view from consultations, including from a range of aid agency and WoG personnel in Canberra and Wellington.

[6] Refer specifically to *Pacific Aid Effectiveness Principle* 3 that: 'partners consult with regional organisations to ensure consistency with regional priorities'.

ownership and demand for accountability from their Secretariats as they focus on influencing the Secretariats rather than the Members to whom the Secretariats are answerable[7]. The purpose and effectiveness of HLCs varies significantly between PROs with discussions ranging between a detailed focus on budgets, programming matters (reflecting ANZ's program approach) and policy issues. Some agencies have queried ANZ's need for, and commitment to, them[8].

15     The Governing Councils of regional agencies provide ANZ with a role as Members 'of the region' – underpinning the NZAID *Pacific Strategy* that notes that New Zealand itself is a South Pacific nation; and the Australian Government's commitment to a new era of cooperation with Pacific island countries and fostering stronger linkages with regional institutions through joint commitments to achieve shared goals on the basis of partnership, mutual respect and mutual responsibility[9]. Due to their greater access to resources, ANZ's influence is often felt more than other Members at regional meetings and this role can be appreciated as 'the Members who can solve problems by providing the required resources'. However, a large number of stakeholders consulted during this Review identified that the key to more efficient and effective PROs is improved governance through greater Pacific island country ownership and participation.

16     ANZ can best encourage improved governance and ownership by working with other Members to ensure greater clarity on the purpose and role of Governing Councils. A greater ANZ focus on strategic consultation and negotiation with Pacific island Members prior to PRO Governing Council/Ministerial meetings is recommended to support and encourage them to prepare policy positions and improve internal communications. This type of focussed Member engagement is an opportunity for ANZ to promote specific policy positions, better understand other Members' views and improve in-depth and focused discussion at Governing Councils to help PRO Secretariats implement Members' decisions.

17     Because Governing Council meetings cover a range of different issues and are often poorly structured to facilitate substantive discussion (see Section 5 below), the establishment of sub-committees by some PROs is effectively addressing specific and/or ongoing program and organisational issues. These smaller representative sub-committee groupings are less formal, can focus more clearly on outcomes and encourage greater participation and ownership of decisions by Pacific island Members. The recently-established PIFS planning and budget subcommittee, for example, aims to provide clarity and direction on the use of agency resources for decision by the Forum Officials Committee (FOC). Such sub-committees, with clearly defined terms of reference, could take a role in monitoring and guiding Secretariats in aligning program and project funding to their key roles. They could also provide an opportunity for ANZ to work with other Members for more robust discussions in the wider Governing Councils.

18     In line with commitments to the *Paris Declaration* and *Pacific Aid Effectiveness Principles*, specific ANZ programming, reporting and accountability requirements can be met through their Membership role through Governing Council reporting, budget and audit processes. On that basis, and in the context of longer and deeper ANZ partnerships with the Pacific region, the Review recommends that future assessed and voluntary (program and project funding) contributions to regional agencies should be structured under Membership arrangements[10] and could potentially be used by other Members to provide assessed and voluntary contributions.

19     Opportunities should and do remain for ANZ programming discussions to support implementation of Member-endorsed priorities: either through CROP coordinated mechanisms such as technical, thematic and working group meetings; individually through ANZ aid mechanisms (including incorporation of regional assistance into bilateral strategies and partnerships); or together with other Members. These discussions will continue to provide a safeguard for addressing new and emerging priorities, a forum for additional reporting, and will help guide Secretariats on achieving practical outcomes prior to their annual meetings.

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[7] These issues were also raised for attention in the 2005 *Review of Australia's Approach to PROs* (p 10).

[8] Some PROs commented that HLCs appeared to be held for 'process rather than purpose'.

[9] Refer *Port Moresby Declaration*, March 2008.

[10] For Australia, these may take the form of Partnership Agreements if decided.

*Recommendation 1.* The key objective of ANZ engagement with PROs should be to improve governance through Membership-based arrangements to enhance: (i) Pacific island countries' ownership of and ability to provide direction to their regional agencies; and (ii) implementation of strategic plans and reporting on performance and regional/national impact.

*Recommendation 2.* Strategic policy discussions by ANZ should be focused on Membership engagement through enhanced commitment to and participation in PRO Governing Council meetings and, where appropriate, sub-committees.

## 4.2 Bilateral and regional aid and whole of government coherence

20 Compounding the sometimes dichotomous Member/donor relationship is the challenge of ensuring internal ANZ coherence and coordination of policy approaches and funding between bilateral and regional aid programs and WoG support. As well as their own and other Member and donor mechanisms, PROs work with ANZ Ministries of Foreign Affairs, aid agencies, and line agencies at the sectoral level. This results in a myriad of relationships to manage, at times unclear contact points and, sometimes, conflicting messages. Although confusing for PROs and increasing their transaction costs, such uncoordinated approaches can also be leveraged by opportunistic agencies and provide potential to dilute their strategic focus on Members' priorities.

21 Relationship building and networking by ANZ officials is critical as personal relationships in the Pacific can make or break processes. However, ANZ coordination can depend on individual interests, resources and energy. There is often an incomplete picture of the key regional players to maximise the benefits from regional activities with varying levels of turnover of ANZ staff and under-utilisation of Posted officers in engagement with PROs and other Members[11]. The level and basis of Post engagement varies depending on resources and differing program approaches to PROs. Some regional agencies noted that lower level ANZ (as well as Pacific island Members') representation at regional meetings over recent years and a consistent lack of feedback on reporting sends a message of disengagement that is at odds with a stronger ANZ regional focus at the political level. While ANZ officials advise that they consider representation levels as less important than consistency and policy coherence, this perception of reduced engagement could be a broader reaction by PRO Members to the large numbers of regional meetings and, in many cases, poor Governing Council processes (refer section 5.1.2 below).

22 Nonetheless, better internal coordination is required by ANZ through the development of focal points that provide a two-way conduit of coordinated communication; clarity for PROs of key contacts in ANZ; and information and learning tools for ANZ staff and officials working with PROs (such as seminars, workshops and appropriate training). The New Zealand Pacific Fisheries Strategy involving the Ministries of Foreign Affairs, Fisheries and NZAID provides a good example of coordination of WoG policy and responsibilities. As does AusAID's Fish and Development Strategy that includes strong involvement by the Australian Department of Agriculture, Forestry and Fisheries (DAFF). Enhanced engagement by Posts will also better support relationships with other Members and Secretariats and present a more consistent ANZ approach. Options for secondments or short-term attachments to supplement the capacity and expertise of regional agencies can further improve ANZ communications with, and understanding of, PROs.

23 It should be noted that the 2005 *Review of Australia's Approach to PROs* made similar conclusions. Although it was endorsed by AusAID and triggered the subsequent round of three-year funding agreements, few of its broad recommendations were reflected in the MOUs or implemented and the same issues continue to constrain PROs. It is critical that ANZ maximise the opportunities offered by this Review process to take full advantage to improve implementation of regional objectives.

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[11] For AusAID, this is expected to improve as devolution of functions to Posts proceeds.

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*Recommendation 3.* All ANZ bilateral and regional funding to PROs, considered as Official Development Assistance (ODA), should be provided under Membership arrangements to improve coordination and broaden engagement. ANZ WoG assistance should align with these arrangements.

*Recommendation 4.* ANZ should strengthen relationships with PROs and other Members through consistent approaches, maximising Post opportunities (including from AusAID devolution), and organisational and technical secondments.

*Recommendation 5.* AusAID and NZAID should identify WoG focal points for each PRO to coordinate ANZ policy and support arrangements and promote ANZ understanding of Pacific regionalism and PROs.

*Recommendation 6.* ANZ should utilise their internal mechanisms to ensure that recommendations endorsed under the Review are implemented in the next round of arrangements with PROs.

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## 4.3 Program and project funding

24     ANZ provide significant resources to Pacific regional agencies. In addition to assessed Member contributions, Australia's support to PROs is nominally provided as program funding under individual agency three-year Memoranda of Understanding (MOUs) based on historical levels of funding. New Zealand's support is also provided on the basis of historical funding levels through individual agency funding arrangements that include a mix of modalities including Membership contributions, program, tagged and project funding tailored to the need and capability of individual agencies.

25     Although total figures are not readily available from either AusAID or NZAID, it is estimated that ANZ have provided approximately A$130 million (NZ$160 million) to PROs during the current three-year agreements (refer Attachment A). Between 2005-2008 NZAID expenditure increased by 6% to NZ$23 million. As total NZAID Pacific expenditure has increased the PRO share of this budget has been as high as 14% in 2003-04 but was reduced steadily to 10% of the Pacific total in 2007-2008. In line with the program approach, assessed and voluntary program funding comprise most of New Zealand funding to PROs. There have been specific increases in program funding to SOPAC and both program and project funding increases to SPREP. AusAID expenditure to PROs rose by 20% to A$30 million in 2007-08. Major increases to specific agencies during the three-year funding period between 2005-2008 were through project funding to SPC and PIFS. AusAID contributions to FFA moved from project support to increased program funding, reflecting the agency's improved planning and budgeting processes[12]. Although the Review was able to undertake some analysis of ANZ funding to PROs, NZAID and AusAID should ensure that their systems can more easily identify and track assessed contributions and voluntary (program and project) funding to better monitor the effectiveness of their assistance.

26     The program (as opposed to project) funding approach has been developed over recent years as the nominally predominant form of ANZ assistance to PROs to support:

- prioritised multi-year strategic plans approved by Members;
- multi-year budgets with an annual adjustment mechanism;
- effective governance and management structures;
- regular reporting on outputs and outcomes; and
- strong corporate, audit, procurement and financial management systems[13].

27     AusAID's 2005 *Review of Australia's Approach to PROs* identified the realised and potential benefits of the program funding approach but noted that it was not well understood by many partners. Although this Review reconfirms that program funding has had some success in improving strategic

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[12] NZAID increased program funding to FFA in 2004.

[13] While there is no clear joint definition of program funding these PRO criteria provide the basis for and development of a regional definition of the program funding approach that could be agreed by all Members.

planning and responses to new priorities and reducing administration costs - confusion and mixed messages remain. Multi-year budgeting improvements by PROs against strategic plans have yet to be realised. Differing ANZ interpretations of program funding have left PROs and ANZ staff unclear on what is required in practice to implement a 'program approach'. NZAID, in particular, has insisted that PROs reprioritise program support rather than provide supplementary funds. Conversely, with AusAID there is an increasing number of sectoral projects operating through the agencies with different requirements. Some feedback indicated that it was easier for PROs to access funding for projects than support for strengthening their corporate governance for improved performance.

28      Donors to the Pacific continue to use regional agencies as project implementation units. This may reflect a lack of confidence in PRO systems to support program funding, unlike multi-year project activities that are managed more directly by donors. Many PRO program managers are supportive of increased numbers of projects as they can actually provide more funding certainty than the program funding approach that has been assessed more on historical patterns than an analysis of actual resources required. Project resources can be 'quarantined' and are not easily reprioritised by agency management in the context of increasing demands on PROs. But it is also recognised that project funding can be opportunistic (diverting effort into low priority activities and delivering objectives not prioritised by Members), and inefficient (involving high transaction costs for small amounts).

29      ANZ have, in the past, applied their respective multilateral assessment frameworks to assess whether regional agencies have the capacity to use program funding effectively. But these frameworks are limited in addressing PRO-specific governance, policy alignment, accountability and capability issues. As a result, the Review team has developed a high-level framework for PRO program funding assessment based on ANZ's role as Members and focusing on governance, accountability and capability criteria to deliver their core objectives (refer Attachment B)[14]. This assessment framework could be further refined in agreement with other Members as a basis for ongoing PRO assessment, particularly to confirm program funding as an appropriate resourcing mechanism. Where gaps are identified ANZ should consider the benefits of agencies undertaking a more comprehensive, formal institutional capability assessment to define core skills sets required to match capacity and resources to increasing demands with the potential to upscale management and technical capacity. This could be undertaken to support the RIF restructure for those agencies affected. Any assessment mechanism should be coordinated with other Members and donors. UNDP and EU have formal capacity assessment models that could be considered appropriate for PROs[15].

30      ANZ program funding should be considered as 'core funding' to regional agencies to meet Member-endorsed program objectives and support PROs' management, planning and reporting capacity[16]. Funding arrangements should reflect international lessons and good practice for longer timeframes aligned to PRO strategic planning and budgeting processes to achieve development outcomes[17], rather than an ongoing roll-over of historical funding levels topped-up by project funding based on separate PRO requests or donor sectoral priorities. Program funding provides flexibility to enable adjustments and, where appropriate, increases over the planning period. This improves alignment of resources to priorities and potential incentives for increases in historical funding levels. Program funding can also be used to leverage additional assistance from donors or multilateral agencies, as well as ANZ bilateral aid where countries require it. In this context, clarification is

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[14] The PRO program funding assessment framework was developed specifically for PROs informed by NZAID and AusAID multilateral assessment frameworks as well as EU and UNDP organisational assessment frameworks.

[15] Once capacity requirements are thoroughly assessed, the new Australian Pacific Public Sector Capacity Building Initiative could be explored as a mechanism to support PROs' corporate governance, as could AusAID's pool of capacity building expertise.

[16] Different terminology is used across PROs to categorise assessed and voluntary (program and project) contributions by Members and donors. For the purpose of this Review, the term 'core funding' relates to assistance for the implementation of Member-endorsed priority programs considered essential for development of the region.

[17] Refer to ANZ policy commitments under OECD-DAC's, *Policy Commitment and Principles for Good International Engagement in Fragile States and Situations.*

required on the function and relationships between ANZ regional and bilateral aid modalities in strengthening regional cooperation and integration.

31     Most PROs currently operate on an annual budget cycle approved by Members.  But for the benefits of program funding to be fully realised the Review recommends that all PROs move to multi-year budgeting aligned to Member-endorsed strategic plans. These multi-year budgets would be reported on annually with annual adjustments approved by Members. This change in budget presentation has been highlighted by PROs in consultations during this Review as necessary to strengthen their planning for better national outcomes.  It will require consideration by PRO Members and endorsement at Governing Councils during the following 12-month period. In the interim, while multi-year budget processes are endorsed and established, the Review recommends that one-year transition agreements for ANZ contributions to PROs be agreed for 2009 at historical levels, unless the basis for an increase can be agreed with individual agencies. The 2009 transition process should also consider how ANZ agreements can better align with PROs strategic planning processes; as well as improved  coordination of PRO planning and budgeting through the CROP mechanism.

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*Recommendation 7.*     ANZ should propose that Governing Councils endorse the provision of program funding to fully-costed, multi-year, Member-endorsed plans to improve the governance, management, planning and reporting by PROs to implement Member-endorsed program priorities.

*Recommendation 8.*     ANZ should develop and agree on one-year transitional arrangements for 2009 to help improve PROs' capacity as required and align with PRO planning processes to support anticipated new multi-year budgets.

*Recommendation 9.*     ANZ should focus on PROs' organisational health and institutional capacity by: (i) encouraging appropriate capacity building programs in PROs' strategic planning and performance reporting; (ii) allocating ANZ program funding to supplement assessed Member contributions for this purpose; and (iii) making available a pool of appropriate technical assistance, including for senior management teams, for policy development, corporate planning, financial management, human resources and communications.

*Recommendation 10.*     ANZ should improve internal monitoring of PRO expenditure flows and agree on a coordinated PRO program capacity assessment framework, to be shared with other Members, to assess the capability of PROs to effectively use program funding aligned to multi-year arrangements.

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## 5.     EFFICIENCY AND EFFECTIVENESS OF PROS

### 5.1   Overall assessment

#### 5.1.1   Role/mandate

32     Opportunities from regionalism are becoming more critical as Pacific island countries require more capacity building and capacity supplementation in an increasingly complex regional environment[18]. Attempts to integrate the wok of regional agencies through the RIF processes during the past three years have resulted in a perceived shift in the tightening of mandates. However, countries report continued difficulty in determining which PRO to access for specific services. Competition for resources persists between some agencies with implications for 'mandate creep'. The consistent message from Members to their PROs in Governing Councils and from institutional reviews is that they need to focus on doing core activities well. PROs do provide strong representation at the international level with support for the preparation of country papers and the use of regional policies for leveraging global funding support.

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[18] Pacific island countries increasing reliance on regional service delivery was highlighted by most Members consulted during this Review.

*Recommendation 11.* Through Governing Councils and sectoral program discussions, ANZ should, in collaboration with other Members, ensure that: (i) individual PROs' Member-mandated roles are clear in terms of advisory, facilitation, coordination and technical assistance/supplementation functions; and (ii) partnership arrangements between PROs, Members and donors are incorporated in strategic plans and annual work programs.

## 5.1.2 Governance and administration

33 The strength of governance, leadership and management varies between Pacific regional agencies and, where they are weak, there are poor inter-program linkages and personal agendas can dominate. This can be highlighted in the operations of some Governing Council meetings that can struggle to provide Members with the opportunity to make decisions based on well-considered advice. Members' comments, consistently reflected in reporting over recent years and through consultations, include the distribution of late, voluminous and unclear papers, giving officials little time to coordinate policy responses, with unrealistic agendas that leave delegates 'in a comatose state' where a lack of response is taken as agreement. As such, Secretariats can drive issues at these meetings that may not suit Members' needs. PIFS has been tasked by FOC to develop a regional meeting framework and identify improvements for managing regional meetings. PROs' websites should also be maintained and updated regularly to ensure that all key documents and events are available to Members and stakeholders.

34 With capacity constraints, regular changes in official representatives and, at times, inappropriate representation levels, Members are not necessarily in a position to analyse the implications of their rising expectations on PROs. Some agencies are utilising Ministerial, sectoral (often including Ministerial participation), and sub-regional workshops to encourage better in-country coordination and policy coherence prior to annual Governing Council meetings to help improve officials' understanding of key issues and lead to more robust dialogue and decision-making.

35 Strategic planning and priority setting by regional agencies has improved in recent years (largely linked to ANZ program support), but there is often a disconnection between decision-making, programming, budgeting, operations and reporting in an environment of increasing expectations of PROs (e.g. through *Pacific Plan* implementation and reporting). Weaknesses in reporting against organisational and program objectives, especially at a country level, have been consistently identified in performance reviews and are an ongoing cause of tension between several PRO Secretariats and their Members. Regional agencies need to report better on the outcomes and, periodically, the impact of their outputs and activities against agreed priorities. And Members (including ANZ) need to demand from themselves the national reporting required for enhanced regional solidarity. Despite often well-crafted performance information frameworks, monitoring and evaluation of outcomes and impact is limited due to a lack of resources and capacity. SOPAC's Program Monitoring Groups, for example, support monitoring and evaluation but SOPAC acknowledges that a more robust framework is required to report on impact.

36 Better defined Governing Council processes would help Members improve their engagement. This could be facilitated by PIFs through the CROP mechanism. Improvements should involve:

- supporting in-country coordination and policy coherence prior to and following annual Governing Council meetings;

- consideration of preparatory meetings or sub-committees, where appropriate, to address specific issues (such as budgets) prior to broader Governing Council meetings;

- the provision of timely reporting (with funding implications) to Members prior to meetings to provide enhanced opportunities to influence work programs;

- a full description of the roles and mandates of the Governing Council and Secretariats

- provision of obligations of Members prior to, during and after regional meetings;

- a mechanism, through CROP, to rationalise the mandate and frequency of high-level meetings required in the region (including a publicised calendar of all regional meetings). This process

has commenced through PIFS and may involve biennial, as opposed to annual, meetings in some cases to allow for and measure progress and reduce the number of costly full Council meetings; and

- rotation of PRO and national personnel to strengthen national/regional linkages and improve two-way communications and understanding.

37    Most PROs advise that increasing demands on them are not supported by appropriate technical and corporate expertise. Better expertise in PROs - not necessarily funding – is required. Staff morale, although varied across the PROs, appeared at generally low levels, reflecting perceived increasing workloads and weaknesses in human resources management. Many PROs are finding it difficult to attract and retain experienced candidates, especially technical/specialist staff, and key positions are often left vacant. Although staff salaries are linked to an average of the Fiji and ANZ markets, staffing profiles are reflecting ongoing challenges in attracting quality staff to regional agencies.

*Recommendation 12.*    To enhance governance, ANZ (with other Members) should direct PROs (facilitated by PIFS) to develop for Member approval coordinated and improved Governing Council processes to empower Members to engage in robust dialogue, provide strategic advice and give clarity on what issues should be considered by Governing Councils and their subcommittees, Ministers and/or Leaders for decision.

*Recommendation 13.*    ANZ should propose to Governing Councils that all PROs develop, implement and report on transparent, merit-based and gender-sensitive recruitment processes; performance management at all levels (including means of dealing with poor performers); and grievance processes to address instances of perceived unfair treatment.

### 5.1.3  Planning and budgeting

38    Regional organisations are struggling to address the increasing array and complexity of regional issues on behalf of Members within existing resources. But strategic planning and programming is at times not prioritised or aligned, agreed multi-year programs not costed, and budgets are disconnected. Core assessed Membership fees are based on agreed formula to support, primarily, PROs' corporate and administrative functions. These are deliberately kept at low levels to meet Pacific islands countries' ability/willingness to pay but do not reflect the resources needed by the agencies to deliver against their mandated priorities. Even if Pacific island Members' contributions were increased, their overall Membership contributions would remain minor in comparison to the resources required to implement agreed priority programs. A focus on improved governance and decision-making would likely provide greater opportunity to strengthen Pacific island Member participation and ownership of their regional agencies.

39    ANZ (and France for SPC) support Member-endorsed program-based funding in the interest of providing flexibility for regional priorities, but other donors (as well as ANZ) retain a focus on projects, that can, but not always, attract management fees (an increasing source of revenue). The Review team was advised by PROs that up to **approximately 80 percent of current services and staff in most regional agencies depend on donor funding.** Thus, success can be measured by the amount of funding mobilised with little acknowledgment of the impact on staff resources resulting, in some cases, in pockets of activities outside strategic approaches. Some Members pay for PRO services by using bilateral aid to purchase specialist technical assistance from PROs (e.g. SPBEA, FFA).

40    PRO Governing Council budget discussions often lack clarity and depth of debate. Budget processes and reporting should be consistent, as much as possible, across all agencies; provide clear recommendations/options for Members' decisions; and summarised in singular CROP reporting for key regional meetings to help improved coordinated prioritisation of issues (as requested by the Pacific Plan Action Committee). This will help ensure that strategic priority programs and associated activities are considered as 'core business' and essential services for the region; clarify resource allocation between existing and new program priorities; instil budgetary discipline; ensure a reliable flow of resources; highlight the potential added-value of regional approaches; and enhance Pacific

islands countries' ownership of PROs. Establishment of budget sub-committees to support PRO financial management and reporting to Governing Councils provide an opportunity to further improve discussion and decision-making for planning and budgeting processes.

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*Recommendation 14.* ANZ should propose that Governing Councils direct PROs to restructure 'core' or 'regular' budgets to include: (i) assessed Member contributions; and (ii) voluntary Member contributions (including from Pacific island Members) supporting fully costed multi-year Member-endorsed core priority programs.

*Recommendation 15.* ANZ should propose to Governing Councils that donor-funded projects should contribute to Member-agreed priority programs; attract a consistent PRO management fee that contributes to Core budgets; and build knowledge and expertise within the PRO and its Membership[19].

*Recommendation 16.* ANZ should encourage PROs to maximise the use of cost recovery and user-pays mechanisms and, where there are funding gaps, highlight to Pacific island Members the opportunities of using bilateral donor funds to purchase regional services not included in funding for core programs.

*Recommendation 17.* ANZ should propose, with other Members, that Governing Councils direct PROs to ensure they operate systems for regular monitoring of expenditure and present annual balanced budgets that include updates of multi-year budgets against agreed strategic plans and respond to emerging priorities for Members' endorsement.

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## 5.1.4 National impact

41 CROP agencies receive approximately US$70 million per year[20] but Members continually highlight the lack of visibility of in-country impact. Pacific Plan Action Committee (PPAC) meetings have regularly commented that PRO reporting does not identify outcomes at a country level[21]. An underlying assumption of strengthened regionalism under the *Pacific Plan* is that the programs of regional agencies, as well as building national capacity, will increasingly supplement national capacity in those areas determined by Pacific island countries where the pooling of resources presents economies of scale in terms of their capacity constraints. Although some agencies have identified capacity supplementation as part of their core business this is often not clearly articulated to Members or budgeted accordingly for decision at Governing Councils. Capacity supplementation by regional agencies is also not often reported in terms of national impact.

42 While these weaknesses in reporting on national impact persist and, as more aid flows into the region on a bilateral basis, Pacific island countries are being tested on their commitments to regional coordination. A view held by some Members is the perceived focus on Polynesia and the Smaller Island States (SIS) in some PROs. And some consider that bilateral assistance is better value for money in terms of development impact.

43 Some individual programs within PROs place emphasis on demonstrating on-the-ground results but most acknowledge this is an area of weakness. SPC, for example, has been directed by CRGA to improve alignment with country priorities and processes through devolution, joint country strategies, and enhanced capacity for strategic policy and planning. Members have articulated their preference that PROs coordinate on one regional Joint Country Strategy per country rather than manage separate strategies from each regional agency to maximise reductions in transaction costs and improved national/regional coordination.

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[19] This approach was also recommended by the 2008 SPREP ICR.

[20] Refer *Strengthening Regional Management*, AV Hughes, 2005 and *The Pathway Towards Quality of Service from Pacific Regionalism*, RIF 2 Project Team, 2007.

[21] The August PPAC meeting noted that Members as well as PROs need to track the national impact of regional programs. Recognition of in-country capacity constraints to do this has resulted in previous PPAC agreements that PIFS place officers in each country to help them access regional services and link the regional reporting and M&E framework to national monitoring processes.

44    All regional planning should be based on achieving outcomes at a national level. This will require PROs to align with and support national level processes and work more closely with their Members. It will also require broader consultation on work programs with stakeholders in-country as well as at the higher political Governing Council level. Enhanced in-country focus will improve clarity on the opportunities available from PROs; increase awareness of their work to garner political support for more effective participation by Members; support CROP harmonisation; and ensure that follow-up by PROs is frequent and feedback on success or otherwise is sought instead of assuming that initiatives will percolate down from agreements by Government representatives at meetings who often fail to share information in-country. In recognition of capacity constraints, PROs should incorporate in their regional programs resourcing to provide countries that require assistance support for developing national action plans for regional programs.

*Recommendation 18.*    ANZ should direct, in agreement with other Members, that national outcomes and impact in Pacific island countries is the basis of all PRO planning, implementation and reporting processes through policy advice, capacity building/supplementation and coordination, as outlined in the *Pacific Plan*.

*Recommendation 19.*    ANZ should direct, in agreement with other Members, that PROs, in line with previous directives, move from inputs reporting to outcomes and impact analysis based on simple monitoring and evaluation systems to better articulate the value-adding of regional approaches, the geographic spread of regional activities, and the differentiated levels of service required (e.g. sub-regional, capacity building/supplementation, etc).

*Recommendation 20.*    ANZ should propose to Governing Councils that all regional agencies collaborate with emerging processes in devolution, joint country strategies and enhanced strategic policy and planning to provide one PRO pool of planning, policy coordination and analytical resources to all Members and improve coordination of regional and national planning.

*Recommendation 21.*    ANZ should propose to Governing Councils that PROs support Members' requests for assistance in implementing key regional agreements through development of individual national action plans with associated resource identification and support.

*Recommendation 22.*    ANZ should propose to Governing Councils that PROs develop approaches for national capacity supplementation (e.g. through JCS), including helping Pacific island countries identify capacity outsourcing opportunities to maintain national service delivery where capacity cannot be developed in the long-term. In this context, PROs should be discouraged from competing for funding resources with Pacific island Members without associated service delivery.

## 5.1.5  Gender equality

45    The CROP Gender Strategy, in place since 1998, recognises that ignoring gender dimensions continues to result in unnecessarily lost opportunities for the region. Each PRO, except SPBEA, has a gender policy with an obligation to report against it. However gender is rarely discussed at a regional level and priority issues that are discussed would often benefit from gender analysis. There have been early achievements in some agencies to mainstream gender (e.g. SOPAC's work on the gender face of energy, increased FRSC attention to gender dimensions of security in recent years and advancing women's political participation and SPC's gender award for its Land Resources Division), but clear gaps remain in ensuring a gender perspective is part and parcel of policy and program responses. CROP leadership is not proactively supporting or resourcing staff to take responsibility and accountability for gender equality initiatives and mainstreaming. There are no organisational incentives to track gender mainstreaming in programs and a lack of appropriate evaluation mechanisms, despite agreed monitoring arrangements under the *Pacific Plan*.

*Recommendation 23.*    ANZ should request all PROs to report on the status of agency implementation of the CROP Gender Strategy at each Governing Council meeting and, through

coordinated reporting, to PPAC to help monitor progress of the *Pacific Plan's* gender equality objective.

### 5.1.6   CROP harmonisation

46     The Council of Regional Organisations of the Pacific (CROP) is an advisory body that aims to coordinate the work of its affiliated regional agencies both informally, through Working Groups at an operational level, and formally, through regular meetings of agency heads. CROP has successfully addressed coordination of organisational issues such as remuneration and has the potential to broaden this to include amongst others planning, budgeting, reporting and M&E. Most PRO Members are supportive of the efficiency objectives of the RIF process and welcome the recent engagement at CROP heads and program level as fostering better understanding of the synergies between and comparative advantage of different agencies. The approach being taken by agencies to implement Leaders' 2007 and 2008 RIF decisions focuses mainly on avoiding disruption to technical service delivery and, with endorsement required through different Governing Councils' Membership, the absorption of SOPAC into SPREP and/or SPC, and of SPBEA into SPC, will not commence until at least 2010. This delay is costly and creates opportunities for ongoing 'regional competition', as reflected in the failure of some CROP Working Groups and continued inadequate outcomes-focused *Pacific Plan* reporting[22]. There are also many regional agencies outside the CROP mechanism that are important but removed from discussions on key coordination issues. Upcoming reviews of the *Pacific Plan* and CROP Working Groups will need to address issues of linking their work to *Pacific Plan* pillars; harmonising and aligning to avoid duplication; coordination of technical expertise; potential joint financing opportunities; joint in-country missions for minimising duplication and transaction costs; and partnership arrangements with non-CROP PROs as part of annual reporting.

*Recommendation 24.*     Pending the outcome of the CROP Working Group Review, ANZ should propose that all Governing Council meetings receive regular reporting on the coordination and collaboration achievements of CROP Working Groups.

### 5.1.7   Donor coordination

47     In relation to the high levels of project funding mobilised by regional agencies, PRO staff resources used on identifying and managing donor funding can dilute the strategic focus and buy-in from Members and undermine PRO governance[23]. Competition between PROs for donor funding has led, in the worst cases, to compromising the needs of Members. This is compounded by fragmented donor coordination that discourages alignment with the mechanisms of regional agencies. The current round of aid effectiveness workshops and annual PIC Partners meetings (managed by PIFS under its strategic partnerships and role in coordinating the effective use of regional resources[24]), need to be more robust and strategic. Donors' own bilateral coordination mechanisms and those developed through PRO program funding by the developed country Members (e.g. FRANZ program funding to SPC) do not necessarily link to broader regional coordination processes. Donors' inability to sustain their annual Pacific informal donors' meeting in 2008 to address increasing demands of coordination and harmonisation is disappointing.

48     Harmonisation is especially difficult when dealing with multiple funding streams to implement regional programs. The delay in European Union funding support to PROs under EDF10 is especially challenging as it will see the removal of a significant number of EU-funded staffing positions across many PROs that are critical for regional service delivery. Program funds are being reprioritised to bridge gaps between project funding availability. The EU has indicated that it is considering a program approach through its Regional Indicative Program (RIP) to reduce PRO and donor transaction costs.

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[22] Discussed at the August 2008 Pacific Plan Action Committee meeting.

[23] This was a view expressed in consultations for this Review by a range of staff across all regional agencies.

[24] PIFS Corporate Plan 2008-2012 (Draft)

49    While donors recognise the administrative burden they place on agencies as pressure builds from increasing aid funds to the region they need to work better with agencies to reduce this burden in light of their commitments under the *Paris Declaration* and *Pacific Aid Effectiveness Principles*. A more streamlined and logical approach to donor coordination with the region leading and directing donors, multilateral agencies and international financial institutions to support agreed regional priorities will help improve aid effectiveness.

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*Recommendation 25.*    ANZ should continue to play a lead role in advocating and implementing donor coordination in the region and support PIFS in its lead regional role in facilitating the effective use of regional resources.

*Recommendation 26.*    ANZ should propose at Governing Council meetings that all PROs develop and implement a donor engagement process, including new and emerging donors, to encourage and direct coordinated assistance to regionally-agreed priorities and ensure the predictability of funding.

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## 5.2    Agency-specific assessment

50    The issues and recommendations discussed above are generic, to varying degrees, across all PROs and are intended to be applied to each regional agency where appropriate. Agency-specific issues and recommendations key to ANZ program support (based on the comparative Program Funding Assessment Framework at Attachment B), are summarised below and should be reflected in individual agency Membership arrangements. These issues are not necessarily consistent as the different regional agencies have different roles, challenges and responses.

### 5.2.1    Pacific Islands Forum Secretariat (PIFS)

*Mandate:*    *To stimulate economic growth and enhance political governance and security for the region through the provision of policy advice; and to strengthen regional coordination and integration through coordinating, monitoring and evaluating the implementation of Leaders' decisions.*

51    A significant number of Members, other agencies and donors have expressed concern about the role and effectiveness of PIFS. The political and security program was seen as the strongest within the organisation with the economics, stakeholder relations and *Pacific Plan* coordination programs as weaker. Feedback also conveyed poor staff morale.

52    As identified by the Forum Officials Committee (FOC) in 2007, PIFS corporate planning, budgeting and reporting processes are of significant concern. They represent a high level of risk to ANZ's program support to the region's peak policy organisation. In order to manage these risks, the Secretariat was directed in 2007 to provide a prioritisation framework with funding implications for consideration by Members. Three FOC meetings were convened in 2008 to help the Secretariat focus on identifying, planning and budgeting around its core functions to provide a more focused strategic outlook[25]. This previous 2005-2007 PIFS Corporate Plan was not adequately linked to programming, budget and performance processes and lacked a process for review. Members will need to ensure the proposed planning processes under the new Corporate Plan 2008-2012 and the associated organisational structure (to be endorsed by FOC in December) will achieve this. The absence of a risk management strategy and the impact of the departure of a number of management personnel by May 2009 also need to be considered.

53    The rationale for PIFS budget structure and how it manages allocations between its programs remains unclear to Members. Apart from the Regular Budget of assessed Member contributions for corporate services and senior management salaries, the Secretariat presents budgets based on anticipated (and often unknown) program and project funding. There is insufficient explanation or

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[25] This follows 2004 recommendations by the Eminent Persons' Group Review of the Pacific Islands Forum (refer *Charting a New Pacific Voyage*, p 44).

discussion with Members on how these resources are prioritised, mobilised and managed by PIFS. There also appears to be a lack of internal clarity of the PIFS resource envelope and how external funding is managed by the senior management team. Some PIFS program areas were unaware of ANZ resourcing to their programs (other than anomaly areas such as the Governance program which is fully funded by Australia with reporting to PIFS and AusAID).

54      As with several other regional agencies, feedback suggested that the quality of PIFS' meetings papers varies with often unclear recommendations or guidance to help Members make decisions. This can limit Member engagement at meetings other than from those Members with the resources and experience to navigate their way through the 'annual snowstorm of papers'. There are continued high levels of dissatisfaction with the timeliness and, at times, appropriateness of reporting from PIFS for a range of regional meetings by Members and stakeholders. Reporting largely remains at input level despite Members' requests for demonstrated national outcomes and in-country support for improved national reporting. PIFS establishment of in-country presence in the Smaller Island States (SIS) to help with the in-country implementation and reporting of regional programs has been appreciated.

55      Reporting weaknesses were highlighted to the team in regard to the *Pacific Plan* that appears to focus primarily on the previous year's Leaders' decisions and advice for key priority areas for the following year. Efforts to support a longer-term process for implementation and engagement of the *Pacific Plan* in its entirety are unclear. The upcoming review of the *Pacific Plan* should consider the need for improved reporting against the monitoring and evaluation framework of the full *Pacific Plan,* required to track regional developments and sustain strengthened regionalism. The agency advises it that does not currently have the resources to report on outcomes and impacts at national or regional levels despite agreement on the *Pacific Plan's* M&E framework and specific ANZ funding allocation for this function[26].

56      PIFS has been leading CROP harmonization, given its lead role in coordinating the RIF reviews (with the Secretary General as CROP Chair). The Secretariat has now established annual consultations with SPC; its transport and ICT functions are moving to SPC (although PIFS has re-advertised its transport adviser position); it is working with SPREP/SOPAC on mainstreaming sectoral priorities into national sustainable development strategies; and an MOU is under development with FFA in recognition of FFA's strengthened policy role under Leaders' RIF decisions. Leaders' have called for a stronger coordinating role to progress their RIF decisions as soon as possible in terms of timing and costs[27].

57      Contraction and expansion of PIFS work programs is largely dependent on aid projects. In response, the Secretariat is developing an engagement strategy to coordinate donor inputs and discourages program areas from approaching donors for support on a case-by-case basis. At a broader level, PIFS has a lead regional role in regional resource coordination managed through the annual PIC Partners meeting. PIFS has been requested to improve this process, particularly in the context of multi-stakeholder *Pacific Plan* initiatives. Other regional agencies have also called on PIFS, as the Regional Authorising Officer for the EU's Regional Indicative Program, to advocate for its alignment to the *Pacific Plan* and coordinated with other agencies. The Secretariat has attempted to connect other key Forum stakeholders, such as NGOs and the private sector, closer to regional decision-making processes in the interest of improving regional governance. More strategic linkages are required.

58      The incoming Secretary General will require time, and both internal and external support, to progress the range of improvements required for improving efficiency in the agency while balancing regional political issues with the Secretariat's advice, coordination and reporting functions. Most critically, he will require a strong senior management team to lead the organisational strengthening that is required for PIFS to effectively lead the coordination of stronger Pacific regionalism.

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[26] Refer to the Exchange of Letters (EOL) under the current MOU between Australia and PIFS.

[27] Refer to 2008 *Forum Communiqué*.

*Recommendation 27.*    ANZ should propose to FOC that a monitoring and evaluation framework for the new Corporate Plan be developed and implemented at the commencement of the Plan and that adequate resources be allocated by PIFS for this function to report annually to Members.

*Recommendation 28.*    ANZ should ensure that the *Pacific Plan* Review takes into account the following in regard to the coordination and reporting of the *Pacific Plan*: (i) strengthening a longer-term implementation and reporting approach for more strategic regional policy decisions; (ii) implementation of the agreed M&E framework to help improve analytical and higher-level impact reporting;  (iii) summary of singular CROP reporting for PPAC and other key regional meetings as a user-friendly menu of coordinated and rationalised services provided to Members; (iv) availability of an official updated version of the *Pacific Plan* to Members and all stakeholders via the website following annual Leaders' meetings to reflect changing regional priorities; (v) CROP coordination of in-country officers; (vi) improved regional donor coordination/aid management functions, including a more robust PIC Partners meeting; and (v) enhanced engagement of regional NGOs.

## 5.2.2   Secretariat of the Pacific Community (SPC)

***Mandate:***       *To help Pacific Island people position themselves to respond effectively to the challenges they face and make informed decisions about their future and the future they wish to leave for the generations that follow - through capacity building, capacity supplementation and regional coordination*

59     Reporting and reviews confirm SPC's overall good organisational health in terms of its efficient use of available resources (e.g. net savings in 2007 allowed the absorption of additional unforeseen costs). The Secretariat provides technical expertise across a range of sectors (although this is constrained in many areas such as the one plant pathologist for 22 Countries and Territories). As the organisation enters a new phase with new regional initiatives gaining momentum, it is responding with structural management, planning and administrative changes aimed to better coordinate the assistance provided to its Members.

60     SPC is taking a stronger role in analysing and advising on regional opportunities by strengthening its Planning Unit to provide analytical and planning resources to Pacific island countries and territories and other PROs. This unit will work closely with the Statistics and Demography Program to strengthen links between evidence-based analysis and planning. These new directions require careful management as Members' and stakeholders' expectations of SPC expand, especially under the *Pacific Plan* and given SPC's diverse mandate. The 2006 CRGA approved a 10 percent increase in assessed contributions in recognition of these increased demands. Nonetheless, Members and stakeholders expressed concern to the team that SPC's role is becoming too ambitious for its capacity with the risk of weakening its core work – it needs to do fewer things better. Recent emphasis has been on up-scaling technical capacity but management capacity and underpinning systems have not yet caught up (e.g. headquarters systems to support decentralisation) with a consequent effect on workload and staff morale.

61     Increased workload and a subsequent increasing dependence on project funding as a major source of staffing and income from project management fees is diverting staff resources in some programs from key operational work. This can dilute a strategic focus on Members' priorities and perpetuate a silo mentality between divisions within the agency. Efforts are being made to improve integrated programming with the Regional Maritime Program (RMP) an example of linking programs at an international, regional and national level.

62     The 2008 budget links identified resources to objectives, outputs and performance indicators across all programs. But there is no policy to guide resource allocation between existing and new program priorities as recommended in the 2005 *Corporate Review*, and no clear definition or criteria of how program funds are planned and negotiated with those Members providing program funding (FRANZ). As with most PROs, Members advice that SPC's meeting papers, broad and cumbersome agendas, and financial reports are a recurring issue and undermine the ability of CRGA to influence the work of the Secretariat. Some Members reported that they are presented with an annual list of SPC

activities with limited opportunity to fully analyse the implications of their rising expectations on the organisation. The presentation of Joint Country Strategies is strengthening focus on these issues.

63     SPC's decentralised country offices and development of JCS over the next 3-5 years are expected to improve coordination and national impact and should be encouraged to develop into broader CROP mechanisms. The Secretariat's sustained investment in information technologies and its well-regarded media centre will support these processes. Establishment of SPC's Regional Office for the North Pacific in Ponphei, covering the four states of FSM (operational from January 2007), has improved understanding of SPC's work and these countries are now accessing SPC services more regularly. Good progress is being made using NSDS or national sector plans as an entry point for JCS. However, the agency's strong outcomes-driven approach is not clearly evidenced, especially in relation to planning for, monitoring and reporting on national outcomes, and internal quality assurance and monitoring and evaluation processes need strengthening (as recommended by the 2005 *Corporate Review*).

64     SPC has been responsive to working with other PROs on implementing *Pacific Plan* initiatives and Leaders' RIF decisions. It holds annual programming discussions with PIFS, plans a similar process with FFA, and has commenced trilateral discussions with SPREP and SOPAC. It has managed the transition of the Regional Rights Resources Team (RRRT) from UNDP well with good communications, contracts and financial operations. There are no current CROP connections through the Ponphei Office which is a concern given the Micronesian Leaders' Summit priorities on energy and the environment and SOPAC's and SPREP's mandates in these areas.  SPC coordinates with donors on a sector/program basis but harmonisation is difficult when implementing  large number of programs with multiple funding streams.

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*Recommendation 29.*     Members, including ANZ, should provide program funding to support SPC's corporate initiatives, such as the strengthened Planning Office to improve SPC efficiency and effectiveness in delivering core programs.

*Recommendation 30.*     ANZ should propose that CRGA/Conference directs that Joint Country Strategy processes ensure that: planning discussions and operations include all relevant national central and line agencies, and country-level resource allocation discussions are in line with its Secretariat role to service its Members.

*Recommendation 31.*     ANZ should propose that CRGA/Conference directs SPC to coordinate closely with PIFS and other regional agencies on decentralisation and Joint Country Strategies processes to produce a single JCS to avoid duplication and help strengthen national planning.

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### 5.2.3   Forum Fisheries Agency (FFA)

*Mandate:*        *To enable Member countries to manage, conserve and use the tuna resources in their Exclusive Economic Zones and beyond, through enhancing national capacity and strengthening regional solidarity.*

65     The impact of Leaders' 2007 RIF decision to move FFA to the CROP policy pillar has opened up broader dialogue with Member Governments and Leaders. FFA is now focusing more on strategic issues through better integrated approaches. It is important to have dynamic processes in fisheries as they are volatile and often require rapid policy responses.  As a result, ANZ program funding is aligned to FFA's planning framework and allows flexible response to business plans and annual work plans. The three-year Business Plan is regularly reviewed and updated and the annual work program and budget adjusted to meet changing priorities. Programs are structured for maximum impact on capacity strengthening and increasing awareness of FFA's work at the highest level to garner regional and national political support for effective participation by Members, including at international fora.

66     FFA operates a balanced budget and provided a supplementary budget process in 2007 to secure extra resourcing to implement Leaders' and Ministers' decisions. While FFA approached NZAID on the basis of a supplementary budget, NZAID increased their contribution through program funding to maintain the real value of the New Zealand's contribution. FFA advises that a multi-year budget process would further support its planning processes (especially in attracting and retaining

staff in Honiara), as well as assist Members' planning. National fisheries budgets are typically low and FFA encourages Pacific island countries to allocate resources in line with regional and international agreements. Cost recovery from industry remains minimal.

67     Member satisfaction surveys demonstrate strong support for FFA's work that connects well to country priorities[28]. It demonstrates tangible national results through, for example, briefs developed with each country to outline assistance provided at a national level (although it is not clear to what extent country priorities lead the process). FFA has developed a process of sub-regional workshops to engage more widely with Member representatives in-country to improve policy coherence and guide the agency on achieving practical outcomes prior to the annual Forum Fisheries Committee (FFC) meeting. As a result, officials report that they have a better understanding of issues on which to brief their Ministers.

68     Much of FFA's work requires technical input to build national capacity. This is undertaken through the use of regional consultants from Member countries (e.g. a pool of legal consultants) and short-term attachments. FFA is also examining capacity supplementation approaches and how Pacific island countries can best outsource those fisheries services they are unable to provide on their own (e.g. in-country enforcement work).

69     FFA reporting is mainly activity and output-based. The development of a robust M&E framework with quantifiable data is critical to demonstrate the economic impact of changing fisheries arrangements and lost opportunities in the region. Although there is good information from technical programs such as the Vessel Monitoring Scheme (VMS) and SPC's stock baseline data, work is required to meet reference points with the key challenge of ensuring that management plans are focused on avoiding the depletion of tuna stocks. NZAID is currently assisting with the development of an M&E framework and a process for reporting. FFA also plans to recruit a resource economist to provide further support to Members in this area.

70     FFA works closely with SPC (that provides the scientific underpinning of FFA's activities), through annual program and management discussions that include legal issues (such as national offshore and coastal fisheries legislation) and fisheries development. It supports SPC retaining the Oceanic Fisheries Program as it provides greater regional coverage beyond FFA's Membership. The strengths of the joint tuna data management committee need to be replicated for the joint FFA/SPC work on tuna management plans that currently suffers from poor communications and coordination.

*Recommendation 32.* ANZ should propose to FFC that FFA develop, budget for and implement an appropriate monitoring and evaluation framework to demonstrate the regional compliance required for sustaining the regional fisheries' resource and maximising economic returns.

## 5.2.4  Secretariat of the Pacific Regional Environment Program (SPREP)

*Mandate:* *To promote cooperation in the Pacific islands region and to provide assistance in order to protect and improve the environment and to ensure sustainable development for present and future generations.*

71     Consultations for this Review confirmed findings from SPREP's recent Independent Corporate Review (ICR) that perceived weaknesses in performance and visibility in the region have seen parallel systems considered in areas where SPREP has a regional mandate (e.g. climate change). Poor perceptions of SPREP are also clouded by past practices by the agency in competing with Pacific Island countries and territories for donor funding (e.g. GEF) without associated service delivery. As the agency moves forward with a new management team from 2009, it considers the ICR as a 'wake-up call' with the key message that SPREP needs to engage more in-country and improve strategic planning, resourcing and reporting processes. Noting the ICR's comments on low levels of staff morale, SPREP has committed to improving gender equality, staff recruitment and induction, training and development, staff performance processes, grievance procedures and staff redundancy issues.

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[28] This was reflected by an increase in Members' contributions by 50% from 2006.

72     A lack of alignment between the five-year high-level Action Plan endorsed by Members and the longer term ten-year Strategic Programs developed by the agency means that Members have no formal decision-making entry point into service delivery and this has diminished their engagement with and ownership of SPREP programs. The ICR notes the need to develop performance indicators across SPREP's Strategic Programs and program officers have also highlighted the need for a regional State of the Environment report. SPREP developed a performance reporting discussion paper for its 2008 Governing Council to consider for alignment between the Action Plan and Strategic Programs and a mid-cycle review. SPREP does not provide an annual revised budget for approval by Members but reports against the budget in its Performance Monitoring and Evaluation Report (PMER).  The 2006 internal review raised issues concerning financial rules and procedures that were not reported on in 2007.

73     As with other PROs, Members report continued high levels of dissatisfaction with SPREP's management of meetings, communications with Members and reporting. SPREP reports annually to Members on achievements against its annual work program and budget but, without dedicated resources, does not implement a performance monitoring framework to report on impact at national levels. It has provided estimates of resources provided for each country during the past seven years and has started to document 'best practice' and 'lessons learnt'.  The ICR has recommended that SPREP re-cast its country profiles and establish focal points within the agency to improve reporting on in-country activities. SPREP is also considering the placement of environment officers in-country (as opposed to parallel donor projects/consultants) to improve national/regional linkages and assist with proposal writing, reporting, etc.

74     The mandates of SPREP (environment, climate change) and SOPAC (particularly in disaster management and energy) continue to overlap and impact on the way Members engage with the agencies as linkages are poor. However, SPREP is now recognising the need to collaborate with SPC's sub-regional offices and is actively participating in RIF processes to absorb SOPAC into SPREP and/or SPC. SPREP sees the process as potentially creating a larger regional environmental organisation with broader mandates, and has advised its Governing Council that some ICR recommendations will need to be put on hold until RIF recommendations are further developed.

75     Due to the availability of external funding for environment issues, national environment agencies tend to receive limited support from their own national budgets that can lead to poor staffing and planning and threatens long-term sustainability. Members are therefore seeking better donor coordination from SPREP, especially with increasingly complex environment issues from within the region and internationally. SPREP is refining its Resourcing Strategy into a medium-term funding plan to better identify and coordinate donor support linked to its Strategic Programs.

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*Recommendation 33.*     ANZ should ensure, through Governing Council meetings, that Independent Corporate Review recommendations endorsed by Members are implemented in a timely and efficient manner.

*Recommendation 34.*     ANZ should propose to the Governing Council that SPREP coordinates its work in the northern Pacific with SPC's Ponphei Office, given the Micronesian Leaders' Summit priorities on environment issues.

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### 5.2.5  Pacific Islands Applied Geoscience Commission (SOPAC)

*Mandate:*        To contribute to sustainable development, reduce poverty and enhance resilience for the people of the Pacific by supporting the development of natural resources, in particular non-living resources, investigation of natural systems and the reduction of vulnerability, through applied environmental geosciences, appropriate technologies, knowledge management, technical and policy advice, human resource development and advocacy of Pacific issues.

76     SOPAC's scientific research and technical assistance services are valued in the region and countries rely on the agency for specialist advice. However, as with other PROs, Members' priorities are accelerating away from capacity and resources and SOPAC's key technical staff are constrained in meeting increasing demands, particularly in the disaster management and energy sectors that require a strong regional focus.

77    It presents five-year work programs with longer-term direction for up to ten years. But despite this planning approach, it is using Core budget resources to respond to Members needs, such as the recently-established Energy Ministers' Meetings. This new responsibility has tested SOPAC's capacity and some Members report that SOPAC is not providing adequate feedback on actions subsequent to the Ministers' Meetings. In this context, SOPAC welcomes the direction for PIFS to rationalise the frequency of high-level meetings required by the region from a strategic priority-setting perspective.

78    SOPAC advises that a multi-year budget process will better assist Members' planning and provide the organisation with funding certainty. It has recently become heavily reliant on EU project support and the delay in EDF10 funding will see the loss of several key staff. SOPAC proposed regular WoG program meetings in Canberra and Wellington to discuss ongoing resource challenges.

79    The agency consults widely on its work program with stakeholders in-country as well as at the higher political Governing Council level. Members report that SOPAC is generally responsive to requests for assistance and its in-country training takes a good hands-on approach. SOPAC's integrated programs represent a good break-down of silos within the organisation and the mainstreaming of its governance/economic program across all work areas. This program provides social data and analysis, communications, resource use planning and economic analysis that sees Members placing more value on the economic analysis of, for example, disaster mitigation efforts and renewable energy options. SOPAC's role in coordinating and facilitating developing partnership clusters under the evolutionary Pacific Disaster Risk Management Partnership Network is presenting different ways of delivering regional services.

80    SOPAC is, in some ways, the strongest PRO at monitoring and evaluation at the activity and outputs level although, like other PROS, it is not planning for, monitoring, or reporting on its contribution to outcomes and impact. It operates a rolling multi-year program of peer reviews with an annual Program Monitoring and Evaluation Group (PMEG) process for each of its key program areas.  This process relies on voluntary contributions from peers outside SOPAC.  While useful, there is merit in  budgeting for periodic professional, independent and outcomes-focussed evaluations. The current practice of reporting to Members through the Director's Annual Report provides a mechanism to monitor implementation and the delivery of outputs against set performance indicators. The Governing Council's own Technical Advisory Group (TAG) provides a further and independent monitoring mechanism and a business risk management framework is assessed annually.

81    SOPAC is now responding to the RIF process and is working towards implementing the Forum Leaders' decision for absorption into SPREP and/or SPC.

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*Recommendation 35.*    ANZ should enter into a transitional arrangement with SOPAC for 2009 until final decisions are made by Governing Councils for its absorption into SPC and/or SPREP from 2010. The transitional arrangement should recognise that ongoing program support for SOPAC is essential to ensure seamless delivery of its services to Members. When the outcomes of the absorption are decided, ANZ should modify their Membership arrangements with SPC and/or SPREP accordingly.

*Recommendation 36.*    ANZ should propose to the Governing Council that SOPAC coordinates its work in the northern Pacific with SPC's Ponphei Office, given the Micronesian Leaders' Summit priorities on energy.

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### 5.2.6  South Pacific Board for Educational Assessment (SPBEA)

***Mandate:***        *To assist countries to improve the quality of education through the use of good assessment practice and procedures.*

82    SPBEA has a niche core role and, as a small PRO, it has a single layer of management and bureaucracy is kept minimal. The flow of information and services to its Members is relatively efficient. However, the agency is capacity-constrained and is currently relying on short-term consultants as assessment experts. SPBEA's 2005-09 Corporate Plan provides the basis for implementation of its Strategic Plan 2005-09 but neither identifies a process for review. SPBEA's Board meets twice a year with an issues meeting in May to focus discussions on key areas requiring

attention and decision at the Annual General Meeting in October. A balanced annual budget is presented to the Board for approval with indicative figures for the following two years. SPBEA advises that a multi-year budget process with program funding would assist planning for Members. The Corporate Plan includes performance indicators for outputs and outcomes but it is unclear how these are aggregated to report against longer-term outcomes. The agency advises that more could be done in reporting on progress but it does not have the resources to report on impacts at national levels.

83    SPBEA reports directly to Departments and Ministries of Education through its Board. It does not have a mechanism to identify country-by-country assistance but the draft work program for each year identifies country-specific requests and an estimated response time, and the Director's report to the Board highlights country activities. A key challenge is to meet ad-hoc requests from countries during the annual cycle. Some Members pay for services - for example, independent scholarships assessments by SPBEA were originally developed with Samoa through bilateral aid and are now undertaken for Fiji, Solomon Islands, Kiribati, Tuvalu, and FSM through SPBEA's scholarships unit.

84    SPBEA is progressing the Leaders' RIF decision for its absorption into SPC and is developing, with SPC, a plan to ensure that: SPBEA's Examination Board and emerging Regional Qualifications Register retain their independence; and the work of SPBEA is not constrained by additional management layers. It is encouraging donors to merge their regional and bilateral initiatives, especially in areas where there are significant overlaps, such as EMIS and curriculum development, to avoid duplication and confusion on-the-ground. It welcomes AusAID's *Pacific Education Framework 2008-2011* that states that it will invest more in the organisational effectiveness of SPBEA with a focus on 'education for all', TVET and the MDGs.

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*Recommendation 37.*    ANZ should enter into a transitional arrangement with SPBEA for 2009 until a final decision is made by the Board for its absorption into SPC from 2010. The transitional arrangement should recognise that ongoing program support for SPBEA is essential to ensure seamless delivery of its services to Members. When the outcomes of the absorption are decided, ANZ should modify their Membership arrangements with SPC accordingly.

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### 5.2.7  Pacific Power Association (PPA)

*Mandate:*       *To enhance the performance of power utilities in the region through a cooperative effort by maintaining a partnership among the Active Members, Allied Members and regional and international aid donors.*

85    PPA emerged as an organisation in the early 1990s as a response by several Pacific government utilities to combat dumping of equipment in the region. It now engages with the regional energy and climate change agenda, as well as disaster risk mitigation, where utilities have a key role.  It provides ongoing capacity building, benchmarking of energy efficiency, training in renewable energy for rural areas and outer islands, with an emerging role in enterprise reform (i.e. the corporatisation of Government utilities) beyond the ADB's current PDMC coverage. A recognised gap in this area is the absence of a regional forum for regulators. With fuel and energy efficiency as some of the biggest issues facing its Members, PPA has established an MOU with the Caribbean body facing similar challenges, and has examined, with the Macquarie Bank, the potential of price hedging in terms of bulk procurement of fuel (sharing this data with PIFS). Guam is already undertaking price hedging with early promise for good returns.

86    PPA services a Board comprising Chief Executive Officers (CEOs) of Pacific utilities and one representative from the private sector and allied Membership that includes 56 international companies. Assessed membership fees comprises around half of PPA's income and it imposes a 10 percent management fee on all projects. With a total of five staff, it holds a one-week annual conference with CEOs and private enterprise that includes a trade exhibition and issues-focused meetings. It acknowledges that its strategic planning and associated reporting is weak and advises that, given its limited organisational capacity, it focuses more on reacting to national requests with practical on-the-ground work. PPA's outdated 2000-2001 strategic plan will be updated in consultation with its Members this year.

87     PPA has been involved in the CROP Energy Working Group as the only regional agency in the power sector working with PIFS, SOPAC and SPREP.  It leads regional implementation of the Pacific Energy Plan in the power sector and works with SOPAC/SPREP on renewable energy (through a GEF project). PPA became a formal CROP member in 2007 through its work in these priority regional sectors and an identified need for better coordination. It has relied strongly on support from the US Department of the Interior in the northern Pacific; and in the southern Pacific, from ADB's infrastructure support in Pacific Developing Member Countries, and EU support involving energy efficiency data, quantifying losses, prioritising action on replacements (such as carbon credits for improved efficiency). However, as with several PROs, activities have been stalled by delays in EU funding. The result has been a focus on operating in the northern Pacific where US assistance is targeted.

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*Recommendation 38.*     Given the role of the Pacific Power Association in the regional energy sector, ANZ should undertake further assessment to consider future engagement. Membership may not be preferred but the provision of either program or project funding will help support its operational impact on national service delivery and coordination with CROP.

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## 5.2.8  South Pacific Travel (south-pacifictravel.com)

*Mandate:*     *To facilitate the sustainable development of the tourism sector in the South Pacific; strengthen capacity within the region; and sustainably plan, market and manage development of the tourism sector.*

88     South Pacific Travel (southpacifictravel.com) is responding to Leaders' *Pacific Plan* endorsement of tourism as the sector with the greatest potential for economic growth, employment and improved livelihoods across the region. Solomon Islands, Australia (in AusAID's *2008 Pacific Update*) and Niue are among countries in the region that have identified tourism as a key development sector. Despite this, funding for Pacific tourism sectors is decreasing overall notwithstanding international lessons that there may be good returns when Governments invest in tourism. The organisation's key focus areas are investment; regulatory reform, as well as concurrent capacity building for the public sector and Small and Medium-sized Enterprises; statistics/research; marketing; and planning for infrastructure. It supports policy development and implementation of national tourism plans flowing from the agreed regional strategy that recognises that regional approaches in tourism are important with lessons to be shared, economies of scale (especially for SIS), and the role of South Pacific Travel in providing a point of continuity for rapidly-changing Heads of Tourism. Membership services include web page, e-news updates, market intelligence reports, and marketing activities.

89     South Pacific Travel has 15 Pacific Members and China (which provides 30 percent of funding) and around 200 private sector associate Members that provide around 10 percent of revenue.  Its Board of Directors (with Pacific representatives and six private sector Members) meets twice a year, with an annual meeting of its Governing Council of Ministers/Heads of Tourism. Its ten–year Regional Tourism Strategy is fully costed and linked to a three-year Business Plan and annual planning, reporting and staff appraisal processes. South Pacific Travel's assessed Membership fees are the highest of all CROP agencies as the scale is based on the size of tourism sector. Samoa's contribution, for example, has increased but many Members remain in arrears.  As it began as an EU project, it has continued to rely heavily on EU funding but deferral of EDF10 has compromised its work and resulted in organisational downsizing by one third. Broader donor engagement is desired.

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*Recommendation 39.*     Given the role of South Pacific Travel in the regional tourism sector, ANZ should undertake further assessment to consider future engagement. Membership may not be preferred but the provision of either program or project funding will help support its operational impact on national service delivery and coordination with CROP.

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# 6.  CONCLUSION

90   The complex issues that surround ANZ approaches to supporting PROs are subject to the regional enabling environment and exogenous political and cultural factors that facilitate or constrain their work and shape their programs. Members have asked agencies to focus their roles and operations more directly on national outcomes, recognising that more diverse or unclear mandates are prone to being diverted by differing agendas and competition for resources.

91   These issues need to be managed to the extent possible while striving for continuous improvement to effectively progress the regional agenda. The Review offers recommendations for strengthening the national development impact of regional governance mechanisms. Some of these opportunities can be taken forward immediately and others will require a longer-term consistent approach and will depend on the views of other PRO Members, the flexibility of PROs to respond to change, as well as policy decisions and resourcing considerations and commitments taken by ANZ. Attachment C provides a summary of the Review recommendations and suggests timing for implementation and key responsibility areas to help guide these decisions.

**ATTACHMENT A.**      SUMMARY OF FINANCIAL SUPPORT TO PROS 2005-2008

| | NZAID | 2005-06 | 2006-07 | 2007-08 | NZ % change | | AusAID | 2005-06 | 2006-07 | 2007-08 | Aus % change |
|---|---|---|---|---|---|---|---|---|---|---|---|
| | | NZ$ ,000 | NZ$ ,000 | NZ$ ,000 | | | | AUD$ ,000 | AUD$ ,000 | AUD$ ,000 | |
| **SOPAC** | | | | | | | | | | | |
| | NZ Core | $473 | $473 | $473 | 0% | | Aus Core | $457 | $457 | $457 | 0% |
| | NZ Prog | $927 | $1,467 | $1,627 | 43% | | Aus Prog | $1,743 | $1,743 | $1,743 | 0% |
| | NZ Project | $518 | $654 | $436 | -19% | | Aus Project | $513 | $1,050 | $750 | 46% |
| | **NZ Total** | **$1,918** | **$2,594** | **$2,536** | **24%** | | **Aus Total** | **$2,713** | **$3,250** | **$2,950** | **9%** |
| | | | | | | | | | | | |
| **SPC** | NZ Core | $2,506 | $2,506 | $2,506 | 0% | | Aus Core | $3,900 | $3,900 | $3,900 | 0% |
| | NZ Prog | $3,834 | $3,816 | $3,894 | 2% | | Aus Prog | $5,800 | $5,800 | $5,800 | 0% |
| | NZ Project | $3,103 | $3,751 | $3,466 | 10% | | Aus Project | $3,314 | $2,163 | $7,065 | 113% |
| | **NZ Total** | **$9,443** | **$10,073** | **$9,866** | **4%** | | **Aus Total** | **$13,014** | **$11,863** | **$16,765** | **29%** |
| | | | | | | | | | | | |
| **FFA** | NZ Core | $490 | $550 | $667 | 27% | | Aus Core | $458 | $471 | $484 | 6% |
| | NZ Prog | $2,510 | $2,450 | $2,333 | -8% | | Aus Prog | $690 | $1,829 | $1,816 | 163% |
| | NZ Project | $0 | $0 | $0 | 0% | | Aus Project | $1,000 | $250 | $250 | -75% |
| | **NZ Total** | **$3,000** | **$3,000** | **$3,000** | **0%** | | **Aus Total** | **$2,148** | **$2,550** | **$2,550** | **19%** |
| | | | | | | | | | | | |
| **PIFS** | NZ Core | $1,135 | $1,135 | $1,135 | 0% | | Aus Core | $1,000 | $1,000 | $1,000 | 0% |
| | NZ Prog | $2,905 | $2,605 | $2,605 | -12% | | Aus Prog | $2,000 | $2,000 | $2,000 | 0% |
| | NZ Project | $997 | $1,034 | $1,039 | 4% | | Aus Project | $516 | $1,361 | $1,801 | 249% |
| | **NZ Total** | **$5,037** | **$4,774** | **$4,779** | **-5%** | | **Aus Total** | **$3,516** | **$4,361** | **$4,801** | **37%** |
| | | | | | | | | | | | |
| **SPREP** | NZ Core | $262 | $262 | $262 | 0% | | Aus Core | $185 | $185 | $185 | 0% |
| | NZ Prog | $813 | $870 | $1,111 | 27% | | Aus Prog | $1,215 | $1,215 | $1,215 | 0% |
| | NZ Project | $627 | $165 | $878 | 29% | | Aus Project | $0 | $95 | $103 | 103% |
| | **NZ Total** | **$1,702** | **$1,296** | **$2,251** | **24%** | | **Aus Total** | **$1,400** | **$1,495** | **$1,503** | **7%** |
| | | | | | | | | | | | |
| **SPBEA** | NZ Core | $297 | $297 | $297 | 0% | | Aus Core | $250 | $250 | $250 | 0% |
| | NZ Prog | $53 | $53 | $53 | 0% | | Aus Prog | $75 | $75 | $75 | 0% |
| | NZ Project | $39 | $0 | $144 | 73% | | Aus Project | $49 | $49 | $49 | 0% |
| | **NZ Total** | **$389** | **$350** | **$494** | **21%** | | **Aus Total** | **$374** | **$374** | **$374** | **0%** |
| | | | | | | | | | | | |
| | **NZ Total** | **21,488** | **22,087** | **22,926** | **6%** | | **Aus Total** | **23,165** | **$23,893** | **$28,943** | **20%** |

## ATTACHMENT B. PROs PROGRAM FUNDING CAPABILITY ASSESSMENT FRAMEWORK[29]

| | Pacific Island Forum Secretariat (PIFS) | | |
|---|---|---|---|
| | | | |
| **1** | **Regional Leadership Criteria** | | **Status** |
| **1.1** | **Leadership** | Current Member endorsed mandate, strategic vision and core objectives | Final Draft 2008-2012 Corporate Plan to be presented to FOC in Dec 2008 |
| **1.2** | **Leadership** | Process for advising Ministers/Leaders on key issues for agency | PIFS is responsible for serving the Forum and provides advice through PPAC. PIFS also organises the FEDMM, FEMM, FTMM, and FRSC. |
| **1.3** | **Leadership** | Process for incorporating and implementing Leaders/Ministers decisions | PIFS has a three year corporate plan and annual work program and budget process. |
| **1.4** | **Leadership** | Reporting mechanism back to Leaders/Ministerial meetings | PIFS reports directly to Forum leaders including through FOC and PPAC |
| **2** | **Governance Criteria** | | |
| **2.1** | **Governance** | Formal establishment document accessible to Members | 2005 Agreement Establishing the Pacific Islands Forum. Only Australia, New Zealand and Cook Islands have ratified the agreement |
| **2.2** | **Governance - Council** | Existence and implementation of formal governing mechanism for accountability | The Forum Officials Committee (FOC) meets at least annually and reports to the annual Leaders Forum |
| **2.3** | **Governance - Council** | Role of governance mechanisms defined and accessible to Members | The powers and functions of the FOC are described in Article V of the 2005 Agreement Establishing the Pacific Islands Forum. |
| **2.4** | **Governance - Council** | Role for Members participating in governance mechanism defined and accessible | This is not described in detail in the available documentation. |
| **2.5** | **Governance - Council** | Timely delivery of quality reporting to Members and stakeholders against agreed reporting standards and timeframes for governing councils | Reporting timeframes are provided. |
| **2.6** | **Governance - Audit** | Annual independent audited accounts approved by Members prior to approval of annual budget for following year | Annual audited accounts are presented to FOC for approval. |
| **2.7** | **Governance - Audit** | Audit management letter approved by Members and processes for following up and reporting on progress in addressing issues raised. | Audit management letter is presented to FOC for approval and comment on follow up provided on previous issues raised. |
| **3** | **Organisational Management Criteria** | | |
| **3.1** | **Management - Planning** | Current multi-year Strategic or Corporate Plan/s | Final Draft 2008-2012 Corporate Plan to be presented to FOC In Dec 2008 |
| **3.2** | **Management -** | Process for reviewing (including independent reviews) and | The new Corporate Plan is not clear on the review process. |

[29] This matrix has been used where A/NZ are already members of a PRO. It is not designed to assess membership. It can indicate areas where further discussion with the agency might be required in relation to program funding. Where there are significant gaps in an agency's status in relation to the criteria a more detailed organisational assessment may be required.

| | | Pacific Island Forum Secretariat (PIFS) | |
|---|---|---|---|
| | **Planning** | renewing the Corporate and Strategic Plan/s with approval by Members | |
| 3.3 | **Management - Planning** | Plan for implementation (annual or multi-year) including annual changes approved by Members for each year | An annual workplan and budget is approved each year at FOC |
| 3.4 | **Management - Planning** | Mechanism for delineation and coordination of national and regional responsibilities | PIFS does not have a mechanism to identify country by country assistance. |
| 3.5 | **Management - budget** | Balanced multi-year Budget against implementation plan approved by Members | PIFS budget process has not presented balanced budgets though FOC has directed that this be changed. |
| 3.6 | **Management - budget** | Mechanism for budget adjustment approved annually by Members | A revised budget is presented to the annual meeting each year for approval. |
| 3.7 | **Management - budget** | Clearly defined core/programme/project budget allocations | PIFS presents the budget as regular (core), core (programme) and extra (project) |
| 3.8 | **Management M&E** | Monitoring and Evaluation framework | PIFS does not have a specific M&E framework |
| 3.9 | **Management - M&E** | Regular reporting against indicators for strategic and implementation objectives through monitoring and evaluation framework | See above. Reporting is output and activity based. |
| 3.1 | **Management - Communication** | Mechanisms for engagement with other stakeholders implemented as agreed | PIFS has stakeholder mechanisms including the Post Forum Dialogue and PIC Partners meeting. Observer opportunities, including NGOs are provided for at PIFS coordinated meetings. |
| 3.11 | **Management - Communication** | Development & maintenance of knowledge base/s for communications & public engagement (including calendar of events) | PIFS sends out regular circulars to Members and maintains a website including a calendar of events. |
| 3.12 | **Management quality assurance** | Implemented quality assurance guidelines for Accounting standards[30] | PIFS financial regulations state that the accounts should be prepared in accordance with the generally accepted accounting procedures modified for commitment accounting. |
| 3.13 | **Management quality assurance** | Implemented quality assurance guidelines for Audit standards?[31] | The PIFS Financial regulations contain terms of reference for Auditors |
| 3.14 | **Management quality assurance** | Implemented quality assurance guidelines for Internal Control standards[32] | Revised performance and remuneration system policies were approved in 2005. A planning and budget committee was set up in 2007. New payroll system was implemented in 2007. |
| 3.15 | **Management - risk** | Risk management process in place and reported to Members | PIFS does not have a risk management strategy |
| 3.16 | **Management quality** | Implemented quality assurance guidelines for Procurement | PIFS has a purchasing policy issued in Jan 2004 and consultancy guide issued in |

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[30] Accounting standards refer to existence of financial regulations; financial reporting best practice; good practice disclosures.

[31] Audit standards refer to utilisation of audits; auditing standards; application of the standards at programme/implementing partner/project level

[32] Internal control standards refer to control environment including integrity, organisational structure and human resource management; planning; control activities; communication and information; monitoring. Risk management has been separated for specific assessment.

| | **Pacific Island Forum Secretariat (PIFS)** | | |
|---|---|---|---|
| | **assurance** | standards[33] | 1998. |
| **4** | **AGENCY SUMMARY ASSESSMENT** | | |
| | Corporate capability including planning, multi-year budgeting, and M&E processes as well as Member roles need further consideration for program funding. This is being addressed in the current process and will be informed by the FOC planned for December 2008. | | |

| | **Secretariat of the Pacific Community (SPC)** | | |
|---|---|---|---|
| | | | |
| **1** | **Regional Leadership Criteria** | | **Status** |
| **1.1** | **Leadership** | Current Member endorsed mandate, strategic vision and core objectives | Endorsed through *Corporate Plan (2007-2012)* by 2007 CRGA. |
| **1.2** | **Leadership** | Process for advising Ministers/Leaders on key issues for agency | This is done for Leaders via the PPAC and Pacific Plan reporting and through sectoral meetings with Ministers including agriculture and health. |
| **1.3** | **Leadership** | Process for incorporating and implementing Leaders/Ministers decisions | Through the SPC sectoral planning process and strategic plan. |
| **1.4** | **Leadership** | Reporting mechanism back to Leaders/Ministerial meetings | This is done for Leaders via the PPAC and Pacific Plan reporting and through sectoral meetings with Ministers |
| **2** | **Governance Criteria** | | |
| **2.1** | **Governance** | Formal establishment document accessible to Members | Established as an international organisation by the *Canberra Agreement* (1947) and operational policies set out in the *Declaration de Tahiti Nui*, updated by Conference/CRGA as required. |
| **2.2** | **Governance - Council** | Existence and implementation of formal governing mechanism for accountability | Conference of the Pacific Community meets biennially and its CRGA convenes in the year between and is empowered to make decisions. |
| **2.3** | **Governance - Council** | Role of governance mechanisms defined and accessible to Members | The role of CRGA is outlined in the Tahiti Nui declaration and available on the website. Formal meeting procedures are also available. |
| **2.4** | **Governance - Council** | Role for Members participating in governance mechanism defined and accessible to Members. | This is not described in detail in the available documentation. |
| **2.5** | **Governance - Council** | Timely delivery of quality reporting to Members and stakeholders against agreed reporting standards and timeframes for governing councils | Reporting timeframes are provided with quality reporting standards. SPC also has to report in dual official languages of English and French. |
| **2.6** | **Governance - Audit** | Annual independent audited accounts approved by Members prior to approval of annual budget for following year | Annual audited accounts are presented to CRGA for approval. |
| **2.7** | **Governance - Audit** | Audit management letter approved by Members and processes for following up and reporting on progress in addressing issues | Audit management letter is presented to CRGA for approval and comment on follow up provided on previous issues raised. |

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[33] Procurement standards refer to transparency, non-discrimination, use of tendering procedures, best value for money, application of standards at program/implementing partner/project level.

| | | Secretariat of the Pacific Community (SPC) | |
|---|---|---|---|
| | | raised. | |
| 3 | | **Organisational Management Criteria** | |
| 3.1 | **Management - Planning** | Current multi-year Strategic or Corporate Plan/s | Multi-year Strategic Plans for the three sectoral programs (Land, Marine and Social Resources) with clearly identified goals, outputs, performance indicators; reporting, M&E, partnerships arrangements; and broad narrative on resourcing requirements. |
| 3.2 | **Management - Planning** | Process for reviewing (including independent reviews) and renewing the Corporate and Strategic Plan/s with approval by Members | SPC operate a rolling multi-year program of reviews and evaluations (including independent reviews) reported to CRGA and demonstrate response to review recommendations. |
| 3.3 | **Management - Planning** | Plan for implementation (annual or multiyear) including annual changes approved by Members for each year | Specific annual work plans are presented to Members in the context of budget discussions. |
| 3.4 | **Management - Planning** | Mechanism for delineation and coordination of national and regional responsibilities | Developing with establishment of JCS, in-country programming, decentralisation and boosting planning capacity to maximise targeted assistance to Pacific island members and assist them make better informed choices on national vs regional solutions to their development priorities. |
| 3.5 | **Management - budget** | Balanced multi-year Budget against implementation plan approved by Members | Organisational policy requires a balanced budget. |
| 3.6 | **Management - budget** | Mechanism for budget adjustment approved annually by members | Revised annual budgets are presented and approved at CRGA. |
| 3.7 | **Management - budget** | Clearly defined core/program/project budget allocations | The allocations are clearly defined and described in the presentation of the budget |
| 3.8 | **Management M&E** | Monitoring and Evaluation framework | There is no specific M&E Framework. SPC noted resourcing was required for implementation. of M&E focused on impact. |
| 3.9 | **Management - M&E** | Regular reporting against indicators for strategic and implementation objectives through monitoring and evaluation framework | There are M&E processes and a M&E framework is under development. |
| 3.1 | **Management - Communication** | Mechanisms for engagement with other stakeholders implemented as agreed | Observer opportunities are provided for at CRGA |
| 3.11 | **Management - Communication** | Development & maintenance of knowledge base/s for communications & public engagement (including calendar of events) | SPC sends out regular circulars to Members and maintains a website and calendar of events. |
| 3.12 | **Management quality assurance** | Implemented quality assurance guidelines for Accounting standards | SPC has developed financial regulations and quality assurance guidelines for audit standards. |
| 3.13 | **Management quality assurance** | Implemented quality assurance guidelines for Audit standards | See above |
| 3.14 | **Management quality assurance** | Implemented quality assurance guidelines for Internal Control standards | QA guidelines have been developed for staff recruitment (external personnel are included in key recruitment panels) and performance (although not clearly evidenced). Staff work programs and performance appraisals are linked to |

| | | | |
|---|---|---|---|
| | **Secretariat of the Pacific Community (SPC)** | | |
| | | | strategic and annual programs and recommendations of technical reviews. |
| **3.15** | **Management - risk** | Risk management process in place and reported to members | SPC does not have a risk management process |
| **3.16** | **Management quality assurance** | Implemented quality assurance guidelines for Procurement standards | SPC has quality assurance guidelines for procurement standards including tendering, value for money, and application of standards at program/project level. |
| **4** | **AGENCY SUMMARY ASSESSMENT** | | |
| | SPC has put program funding processes in place with the exception of M&E for which they have identified the need for further resourcing and implementing a multi-year budget. | | |

| | | | |
|---|---|---|---|
| | **Forum Fisheries Agency (FFA)** | | |
| | | | |
| **1** | **Regional Leadership Criteria** | | **Status** |
| **1.1** | **Leadership** | Current Member endorsed mandate, strategic vision and core objectives | Endorsed through the FFA Strategic Plan 2005-2020 |
| **1.2** | **Leadership** | Process for advising Ministers/Leaders on key issues for agency | FFA contributes to PPAC reporting to Forum Leaders and FFC Ministers meet annually. |
| **1.3** | **Leadership** | Process for incorporating and implementing Leaders/Ministers decisions | The three year Business plan is regularly reviewed and updated and the annual work program and budget is adjusted to meet priorities endorsed by Leaders and Ministers. |
| **1.4** | **Leadership** | Reporting mechanism back to Leaders/Ministerial meetings | Reporting is to the biennial Ministerial meetings and through PPAC to Leaders at the Forum. FFA was confirmed in Pillar 1 of the RIF agreed by Leaders in 2007. |
| **2** | **Governance Criteria** | | |
| **2.1** | **Governance** | Formal establishment document accessible to Members | South Pacific Forum Fisheries Agency Convention adopted in PNG in August 1977 |
| **2.2** | **Governance - Council** | Existence and implementation of formal governing mechanism for accountability | The Strategic Plan states that Forum Fisheries Committee meets annually at officials' level and biennially at Ministerial level. |
| **2.3** | **Governance - Council** | Role of governance mechanisms defined and accessible to Members | The functions of FFC are described in Article V of the Convention and the *Forum Fisheries Rules of Procedure*. Additional processes are as outlined in the *Rules of Procedures for Executive Appointments* and the *Financial Regulations*. |
| **2.4** | **Governance - Council** | Role for Members participating in governance mechanism defined and accessible | Obligation for FFC Members are described in the Rules of Procedures, where Rule 18 requires the provisional agenda together with working paper to be distributed to Members by the Director no less than 30 days prior to the Committee Session. Items proposed by the Members for inclusion in the provisional agenda, together with the supporting papers shall, where possible, reach the director no later than 60 days prior to the Committee session. Article V, *Functions of the Committee*, sets out the scope of FFC Members' participation. |
| **2.5** | **Governance - Council** | Timely delivery of quality reporting to Members and stakeholders | Rules of Procedures 21 & 22 sets out the procedures with respect to reporting of |

| | Forum Fisheries Agency (FFA) | | |
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| | | against agreed reporting standards and timeframes for governing councils | FFC meetings. |
| 2.6 | **Governance - Audit** | Annual independent audited accounts approved by Members prior to approval of annual budget for following year | Annual audited accounts are presented to FFC for approval |
| 2.7 | **Governance - Audit** | Audit management letter approved by Members and processes for following up and reporting on progress in addressing issues raised. | Audit management letter is presented to FFC for approval and comment on follow up provided on previous issues raised. |
| 3 | **Organisational Management Criteria** | | |
| 3.1 | **Management - Planning** | Current multi-year Strategic or Corporate Plan/s | FFA Secretariat Business Plan 2005-2008 with a new Plan for 2008-2011 in draft |
| 3.2 | **Management - Planning** | Process for reviewing (including independent reviews) and renewing the Corporate and Strategic Plan/s with approval by Members | The previous plan was reviewed in Nov 2007 to inform new plan. |
| 3.3 | **Management - Planning** | Plan for implementation (annual or multiyear) including annual changes approved by Members for each year | Annual work plan approved annually at FFC |
| 3.4 | **Management - Planning** | Mechanism for delineation and coordination of national and regional responsibilities | Country briefs are developed with each country to outline the assistance provided by FFA to each Member |
| 3.5 | **Management - budget** | Balanced multi-year Budget against implementation plan approved by Members | A balanced annual budget is presented to FFC each year for approval. |
| 3.6 | **Management - budget** | Mechanism for budget adjustment approved annually by Members | A supplementary budget was used to present changes to the budget as a result of Leaders' decisions and requiring extra resources. |
| 3.7 | **Management - budget** | Clearly defined core/program/project budget allocations | The budget is divided into general fund (core), trust fund (programme and project) and XB (other projects) |
| 3.8 | **Management M&E** | Monitoring and Evaluation framework | There is no specific M&E framework |
| 3.9 | **Management - M&E** | Regular reporting against indicators for strategic and implementation objectives through monitoring and evaluation framework | The reporting is mainly activity and output based. |
| 3.1 | **Management - Communication** | Mechanisms for engagement with other stakeholders implemented as agreed | FFA has developed sub regional workshops to engage more widely with Member representatives in country. Observer opportunities are provided for at regional meetings. |
| 3.11 | **Management - Communication** | Development & maintenance of knowledge base/s for communications & public engagement (including calendar of events) | FFA sends out regular circulars to Members and maintains a website and calendar of events. |
| 3.12 | **Management quality assurance** | Implemented quality assurance guidelines for Accounting standards | FFA financial regulations provide guidance for financial management including audit. |
| 3.13 | **Management quality assurance** | Implemented quality assurance guidelines for Audit standards | See above |

| | Forum Fisheries Agency (FFA) | | |
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| 3.14 | **Management quality assurance** | Implemented quality assurance guidelines for Internal Control standards | FFA Administration policies and HR policies provides policy guidance on the areas listed. |
| 3.15 | **Management - risk** | Risk management process in place and reported to Members | FFA does not have a risk management process in place that is regularly reported against. |
| 3.16 | **Management quality assurance** | Implemented quality assurance guidelines for Procurement standards | FFA financial regulations provide guidance on procurement. |
| 4 | **AGENCY SUMMARY ASSESSMENT** | | |
| | FFA has adopted program funding processes with the exception of M&E Framework that it has seeking to develop and implementation of a multi-year budget. | | |

| | South Pacific Geoscience Commission (SOPAC) | | |
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| | | | |
| 1 | **Regional Leadership Criteria** | | **Status** |
| 1.1 | **Leadership** | Current Member endorsed mandate, strategic vision and core objectives | The SOPAC Strategic Plan 2005-2009 was approved in Fiji in 2005 |
| 1.2 | **Leadership** | Process for advising Ministers/Leaders on key issues for agency | SOPAC reports to Leaders via the Pacific Plan. SOPAC has also been responsible for coordinating the Pacific Energy Ministers' Meeting. |
| 1.3 | **Leadership** | Process for incorporating and implementing Leaders/Ministers decisions | The strategic plan is regularly reviewed and updated and the annual work programme and budget is adjusted to meet priorities endorsed by Leaders and Ministers |
| 1.4 | **Leadership** | Reporting mechanism back to Leaders/Ministerial meetings | Reporting is to the PEMM and through PPAC to Leaders at the Forum. |
| 2 | **Governance Criteria** | | |
| 2.1 | **Governance** | Formal establishment document accessible to Members | *Agreement Updating the Establishment of the Pacific Islands Applied Geoscience Committee* was discussed at Suva in 2006. |
| 2.2 | **Governance - Council** | Existence and implementation of formal governing mechanism for accountability | The Governing Council meets annually with provision for special sessions as agreed. |
| 2.3 | **Governance - Council** | Role of governance mechanisms defined and accessible to Members | The Governing Council powers and responsibilities are outlined in Article 6 of the Agreement and resolutions of various Annual Summary Records of the SOPAC Governing Council. |
| 2.4 | **Governance - Council** | Role for members participating in governance mechanism defined and accessible to Members. | This is not described in detail in the available documentation. |
| 2.5 | **Governance - Council** | Timely delivery of quality reporting to Members and stakeholders against agreed reporting standards and timeframes for governing councils | SOPAC's Rules of Procedure (para 17) identify reporting timeframes and quality reporting standards. |
| 2.6 | **Governance - Audit** | Annual independent audited accounts approved by Members prior to approval of annual budget for following year | SOPAC presents audited accounts annually to the Governing Council for approval. |
| 2.7 | **Governance - Audit** | Audit management letter approved by Members and processes for | Audit management letter is presented to the Governing Council for approval and |

| | South Pacific Geoscience Commission (SOPAC) | | |
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| | | following up and reporting on progress in addressing issues raised. | comment with follow up provided on previous issues raised. |
| **3** | **Organisational Management Criteria** | | |
| 3.1 | **Management - Planning** | Current multi-year Strategic or Corporate Plan/s | The SOPAC Strategic Plan 2005-2009 was approved in Fiji in 2005 |
| 3.2 | **Management - Planning** | Process for reviewing (including independent reviews) and renewing the Corporate and Strategic Plan/s with approval by Members | The 5 year strategic plan is reported on annually but there is no mid-term review discussed. |
| 3.3 | **Management - Planning** | Plan for implementation (annual or multiyear) including annual changes approved by Members for each year | SOPAC Corporate Plan and annual work programmes |
| 3.4 | **Management - Planning** | Mechanism for delineation and coordination of national and regional responsibilities | The Strategic Plan states that national level priority setting takes into consideration direct country consultations and requests. Where two or more countries share a common request this is recognised as an issue to address through regional action. |
| 3.5 | **Management - budget** | Balanced multi-year Budget against implementation plan approved by Members | SOPAC submits a balanced budget for approval annually to the governing council meeting. Indicative budgets for the following two years are included. |
| 3.6 | **Management - budget** | Mechanism for budget adjustment approved annually by Members | SOPAC does not provide a revised budget for approval by Members annually. |
| 3.7 | **Management - budget** | Clearly defined core/program/project budget allocations | The budget is divided into regular budget (core), regular extra budget (externally funded to support core functions) and extra budget (externally funded projects above the core functions) |
| 3.8 | **Management M&E** | Monitoring and Evaluation framework | There is no specific M&E framework to report on impacts. |
| 3.9 | **Management - M&E** | Regular reporting against indicators for strategic and implementation objectives through monitoring and evaluation framework | The M&E framework does not include impact and outcome indicators and means of verifying them. |
| 3.1 | **Management - Communication** | Mechanisms for engagement with other stakeholders implemented as agreed | Observer opportunities are provided for at regional meetings. |
| 3.11 | **Management - Communication** | Development & maintenance of knowledge base/s for communications & public engagement (including calendar of events) | SOPAC sends out regular circulars to Members and maintains a website and calendar of events. |
| 3.12 | **Management quality assurance** | Implemented quality assurance guidelines for Accounting standards | SOPAC has Financial Regulations in the SOPAC Procedures Manual that were revised in 2006. |
| 3.13 | **Management quality assurance** | Implemented quality assurance guidelines for Audit standards | SOPAC audit guidelines are included in the financial regulations |
| 3.14 | **Management quality assurance** | Implemented quality assurance guidelines for Internal Control standards | SOPAC internal controls are included in the SOPAC Procedures Manual. |
| 3.15 | **Management - risk** | Risk management process in place and reported to Members | SOPAC has developed an integrated business risk management framework that is |

| | South Pacific Geoscience Commission (SOPAC) | | |
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| | | | used to assess risk annually and based on the risk profile look to addressing risk improvement actions where necessary |
| 3.16 | **Management quality assurance** | Implemented quality assurance guidelines for Procurement standards | SOPAC Procurement guidelines are included in the SOPAC Procedures Manual. |
| 4 | **AGENCY SUMMARY ASSESSMENT** | | |
| | SOPAC is implementing the program funding approach. The development of an M&E framework that allows reporting on impacts, multi-year budgeting and Member roles is being considered. | | |
| | | | |

| | Secretariat Pacific Regional Environment program (SPREP) | | |
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| | | | |
| 1 | **Regional Leadership Criteria** | | **Status** |
| 1.1 | **Leadership** | Current Member endorsed mandate, strategic vision and core objectives | Action Plan for Managing the Environment of the Pacific Islands Region 2005-09 agreed at 15th SPREP meeting in French Polynesia in 2004. |
| 1.2 | **Leadership** | Process for advising Ministers/Leaders on key issues for agency | SPREP contributes to PPAC reporting to Forum Leaders and Environment Ministers meet biennially. |
| 1.3 | **Leadership** | Process for incorporating and implementing Leaders/Ministers decisions | Leaders decisions can be incorporated in the Action Plan 2004-2009, Strategic Programmes 2004-2013 and annual work programs |
| 1.4 | **Leadership** | Reporting mechanism back to Leaders/Ministerial meetings | The Director is responsible for reporting annually to the Forum on the activities of SPREP as per Article 6. SPREP also reports back to Leaders via the PPAC reporting process and biennially to Ministers. |
| 2 | **Governance Criteria** | | |
| 2.1 | **Governance** | Formal establishment document accessible to Members | Agreement establishing the South Pacific Regional Environment Programme as an inter-governmental organisation in June 1993 in Apia |
| 2.2 | **Governance - Council** | Existence and implementation of formal governing mechanism for accountability | The SPREP meeting meets annually (or more as needed) as described in the establishment agreement |
| 2.3 | **Governance - Council** | Role of governance mechanisms defined and accessible to Members | The functions of the SPREP meeting are contained in Article 3 of the agreement with meeting procedures described in Article 4 and the SPREP Meeting Rules of Procedure |
| 2.4 | **Governance - Council** | Role for Members participating in governance mechanism defined and accessible | This is not described in detail in the available documentation. |
| 2.5 | **Governance - Council** | Timely delivery of quality reporting to Members and stakeholders against agreed reporting standards and timeframes for governing councils | SPREP has reporting timeframes but not agreed quality reporting standards. SPREP also has to report in dual official languages of English and French. |
| 2.6 | **Governance - Audit** | Annual independent audited accounts approved by Members prior to approval of annual budget for following year | Annual audited accounts are presented to the SPREP meeting |
| 2.7 | **Governance - Audit** | Audit management letter approved by Members and processes for | Audit management letter is provided annually to the SPREP meeting and auditors |

| | Secretariat Pacific Regional Environment program (SPREP) | | |
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| | | following up and reporting on progress in addressing issues raised. | report on previous year's recommendations. |
| **3** | **Organisational Management Criteria** | | |
| 3.1 | **Management - Planning** | Current multi-year Strategic or Corporate Plan/s | The Strategic Programmes 2004-2013 was approved by the SPREP Council in 2004. SPREP does not have a Corporate Plan. |
| 3.2 | **Management - Planning** | Process for reviewing (including independent reviews) and renewing the Corporate and Strategic Plan/s with approval by Members | Independent reviews have been incorporated in the MOUs with Australia. |
| 3.3 | **Management - Planning** | Plan for implementation (annual or multiyear) including annual changes approved by Members for each year | Annual work plans are approved at the SPREP meeting. |
| 3.4 | **Management - Planning** | Mechanism for delineation and coordination of national and regional responsibilities | SPREP country profiles provide outline of SPREP activities in each country. |
| 3.5 | **Management - budget** | Balanced multi-year Budget against implementation plan approved by Members | SPREP submits a balanced budget for approval annually to the SPREP meeting. Indicative budgets for the following two years are included. |
| 3.6 | **Management - budget** | Mechanism for budget adjustment approved annually by members | SPREP does not provide a revised budget for approval by Members annually but reports against the budget in the Performance Monitoring and Evaluation Report (PMER). |
| 3.7 | **Management - budget** | Clearly defined core/program/project budget allocations | The budget does not clearly identify core, program and project allocations. |
| 3.8 | **Management M&E** | Monitoring and Evaluation framework | SPREP does not have a specific M&E framework. |
| 3.9 | **Management - M&E** | Regular reporting against indicators for strategic and implementation objectives through monitoring and evaluation framework | SPREP's M&E framework does not include impact and outcome indicators and means for verifying them. |
| 3.1 | **Management - Communication** | Mechanisms for engagement with other stakeholders implemented as agreed | Observer opportunities are provided for at regional meetings. |
| 3.11 | **Management - Communication** | Development & maintenance of knowledge base/s for communications & public engagement (including calendar of events) | SPREP maintains a website and has a Communications Unit to support the Strategic Programmes. It disseminates regular circulars to Members and maintains a calendar of events. |
| 3.12 | **Management quality assurance** | Implemented quality assurance guidelines for Accounting standards | SPREP has Financial Regulations covering budget preparation, appropriations, contributions, funds, internal controls, financial statements, external audit and general provisions. |
| 3.13 | **Management quality assurance** | Implemented quality assurance guidelines for Audit standards | SPREP audit guidelines are included in the financial regulations |
| 3.14 | **Management quality assurance** | Implemented quality assurance guidelines for Internal Control standards | SPREP internal controls include: staff regulations updated in 2007 and administration procedures manual. |
| 3.15 | **Management - risk** | Risk management process in place and reported to Members | SPREP does not have a risk management process. |
| 3.16 | **Management quality assurance** | Implemented quality assurance guidelines for Procurement standards | SPREP procurement controls are included in the draft Financial Regulations. |

| | **Secretariat Pacific Regional Environment program (SPREP)** | | |
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| **4** | **AGENCY SUMMARY ASSESSMENT** | | |
| | SPREP's recent ICR provides the basis for improvements to move to a program funding approach, including M&E, member roles, risk management, strategic planning and multi-year budgeting. | | |

| | **South Pacific Board for Educational Assessment (SPBEA)** | | |
|---|---|---|---|
| | | | |
| **1** | **Regional Leadership Criteria** | | **Status** |
| **1.1** | **Leadership** | Current Member endorsed mandate, strategic vision and core objectives | SPBEA Strategic Plan 2005-2009 |
| **1.2** | **Leadership** | Process for advising Ministers/Leaders on key issues for agency | SPBEA contributes to PPAC reporting to Forum Leaders. |
| **1.3** | **Leadership** | Process for incorporating and implementing Leaders/Ministers decisions | Leaders' decisions can be incorporated in the Corporate and Strategic Plans and annual work programs. |
| **1.4** | **Leadership** | Reporting mechanism back to Leaders/Ministerial meetings | SPBEA reports back to Leaders via the PPAC reporting process. |
| **2** | **Governance Criteria** | | |
| **2.1** | **Governance** | Formal establishment document accessible to Members | SPBEA Constitution agreed in Suva in July 1978 |
| **2.2** | **Governance - Council** | Existence and implementation of formal governing mechanism for accountability | The Board is scheduled to meet twice a year with May meeting an issues meeting and the October meeting an AGM. |
| **2.3** | **Governance - Council** | Role of governance mechanisms defined and accessible to Members | The principal powers and functions of the Board are described in Articles IV and V of the Constitution. An Executive Committee is also provided for in the Constitutional Annex with the functions described there. |
| **2.4** | **Governance - Council** | Role for Members participating in governance mechanism defined and accessible | This is not described in detail in the available documentation. |
| **2.5** | **Governance - Council** | Timely delivery of quality reporting to Members and stakeholders against agreed reporting standards and timeframes for governing councils | SPBEA does not have quality reporting standards. |
| **2.6** | **Governance - Audit** | Annual independent audited accounts approved by Members prior to approval of annual budget for following year | Annual audited accounts are presented to the SPBEA meeting |
| **2.7** | **Governance - Audit** | Audit management letter approved by Members and processes for following up and reporting on progress in addressing issues raised. | An audit management letter is not provided annually to the SPREP meeting. |
| **3** | **Organisational Management Criteria** | | |
| **3.1** | **Management - Planning** | Current multi-year Strategic or Corporate Plan/s | SPBEA has a Strategic Plan 2005-09 and a Corporate Plan 2005-09 |
| **3.2** | **Management - Planning** | Process for reviewing (including independent reviews) and renewing the Corporate and Strategic Plan/s with approval by Members | Neither the strategic plan nor the corporate plan identify a process for review. |

| | South Pacific Board for Educational Assessment (SPBEA) | | |
|---|---|---|---|
| 3.3 | **Management - Planning** | Plan for implementation (annual or multiyear) including annual changes approved by Members for each year | The Corporate Plan is a strategic approach to the implementation of the Strategic Plan |
| 3.4 | **Management - Planning** | Mechanism for delineation and coordination of national and regional responsibilities | SPBEA does not have a mechanism to identify country by country assistance but the draft work program for each year identifies country specific requests and a response time. |
| 3.5 | **Management - budget** | Balanced multi-year Budget against implementation plan approved by Members | A balanced annual budget is presented to the Board each year for approval with indicative (but unspecified line items) figures for the following two years. |
| 3.6 | **Management - budget** | Mechanism for budget adjustment approved annually by Members | A revised annual budget is presented each year to the Board for approval. |
| 3.7 | **Management - budget** | Clearly defined core/program/project budget allocations | The budget outlines income as assessed contributions and income from other sources. |
| 3.8 | **Management M&E** | Monitoring and Evaluation framework | The Corporate Plan includes performance indicators for outputs and outcomes. |
| 3.9 | **Management - M&E** | Regular reporting against indicators for strategic and implementation objectives through monitoring and evaluation framework | The Corporate Plan includes performance indicators that are reported against to the Board. |
| 3.1 | **Management - Communication** | Mechanisms for engagement with other stakeholders implemented as agreed | Observer opportunities are provided for at regional meetings. |
| 3.11 | **Management - Communication** | Development & maintenance of knowledge base/s for communications & public engagement (including calendar of events) | SPBEA sends out regular circulars to Members and maintains a website and calendar of events and is to develop a Regional Qualifications Register. |
| 3.12 | **Management quality assurance** | Implemented quality assurance guidelines for Accounting standards | SPBEA has Financial regulations agreed in 2005. |
| 3.13 | **Management quality assurance** | Implemented quality assurance guidelines for Audit standards | SPBEA audit guidelines are included in the financial regulations. |
| 3.14 | **Management quality assurance** | Implemented quality assurance guidelines for Internal Control standards | SPBEA internal controls include Recruitment Policies and Procedures. |
| 3.15 | **Management - risk** | Risk management process in place and reported to Members | SPBEA does not have a risk management process. |
| 3.16 | **Management quality assurance** | Implemented quality assurance guidelines for Procurement standards | Specific SPBEA procurement controls do not appear in the Financial regulations. |
| 4 | **AGENCY SUMMARY ASSESSMENT** | | |
| | SPBEA is implementing the programme funding approach. A multi-year budget, risk management, Member roles, and procurement guidelines need further consideration. | | |

## ATTACHMENT C. SUMMARY RECOMMENDATIONS

| 2008 Joint Triennial Review Of Australian And New Zealand Approaches To Supporting Pacific Regional Organisations | | |
|---|---|---|
| Recommendation | Timing | Responsibilities |
| **ANZ APPROACHES TO FUNDING & MANAGEMENT** | | |
| **Member and donor relationships** | | |
| 1. The key objective of ANZ engagement with PROs should be to improve governance through Membership-based arrangements to enhance: (i) Pacific island countries' ownership of and ability to provide direction to their regional agencies; and (ii) implementation of strategic plans and reporting on performance and regional/national impact. | 2009 onwards - through Membership arrangements | AusAID, NZAID, Posts and WoG partners |
| 2. Strategic policy discussions by ANZ should be focused on Membership engagement through enhanced commitment to and participation in PRO Governing Council meetings and, where appropriate, sub-committees. | 2009 onwards - through Membership arrangements | AusAID, NZAID, Posts and WoG partners |
| **Bilateral and regional aid and WoG coherence** | | |
| 3. All ANZ bilateral and regional funding to PROs, considered as Official Development Assistance (ODA), should be provided under Membership arrangements to improve coordination and broaden engagement. ANZ WoG assistance should align with these arrangements. | 2009 onwards - through Membership arrangements | AusAID, NZAID, Posts and WoG partners |
| 4. ANZ should strengthen relationships with PROs and other Members through consistent approaches, maximising Post opportunities (including from AusAID devolution), and organisational and technical secondments. | 2009 onwards - through Membership arrangements | AusAID, NZAID, Posts and WoG partners |
| 5. AusAID and NZAID should identify WoG focal points for each PRO to coordinate ANZ policy and support arrangements and promote ANZ understanding of Pacific regionalism and PROs. | 2009 onwards - through Membership arrangements | AusAID and NZAID |
| 6. ANZ should utilise their internal mechanisms to ensure that recommendations endorsed under the Review are implemented in the next round of arrangements with PROs. | 2009 onwards - through Membership arrangements | AusAID and NZAID |
| **Program and project funding** | | |
| 7. ANZ should propose that Governing Councils endorse the provision of program funding to fully-costed, multi-year, Member-endorsed plans to improve the governance, management, planning and reporting by PROs to implement Member-endorsed program priorities. | 2009 onwards - through Membership arrangements | AusAID, NZAID, Posts and WoG partners |
| 8. ANZ should develop and agree on one-year transitional arrangements for 2009 to help improve PROs' capacity as required and align with PRO planning processes to support anticipated new multi-year budgets. | 2009 onwards - through Membership arrangements | AusAID and NZAID |
| 9. ANZ should focus on PROs' organisational health and institutional capacity by: (i) encouraging appropriate capacity building programs in PROs' strategic planning and performance reporting; (ii) | 2009 onwards - through Membership arrangements | AusAID, NZAID, Posts and WoG partners |

| 2008 Joint Triennial Review Of Australian And New Zealand Approaches To Supporting Pacific Regional Organisations | | |
|---|---|---|
| Recommendation | Timing | Responsibilities |
| allocating ANZ program funding to supplement assessed Member contributions for this purpose; and (iii) making available a pool of appropriate technical assistance, including for senior management teams, for policy development, corporate planning, financial management, human resources and communications. | | |
| 10. ANZ should improve internal monitoring of PRO expenditure flows and agree on a coordinated PRO program capacity assessment framework, to be shared with other Members, to assess the capability of PROs to effectively use program funding aligned to multi-year arrangements. | 2009 onwards - through Membership arrangements | AusAID and NZAID |
| **EFFICIENCY AND EFFECTIVENESS OF PROS** | | |
| **Role/mandate** | | |
| 11. Through Governing Councils and sectoral program discussions, ANZ should, in collaboration with other Members, ensure that: (i) individual PROs' Member-mandated roles are clear in terms of advisory, facilitation, coordination and technical assistance/supplementation functions; and (ii) partnership arrangements between PROs, Members and donors are incorporated in strategic plans and annual work programs. | 2009 onwards - through Membership arrangements | AusAID, NZAID, Posts and WoG partners |
| **Governance and administration** | | |
| 12. To enhance governance, ANZ (with other Members) should direct PROs (facilitated by PIFS) to develop for Member approval coordinated and improved Governing Council processes to empower Members to engage in robust dialogue, provide strategic advice and give clarity on what issues should be considered by Governing Councils and their subcommittees, Ministers and/or Leaders for decision. | 2009 onwards - through Membership arrangements | AusAID, NZAID, Posts and WoG partners |
| 13. ANZ should propose to Governing Councils that all PROs develop, implement and report on transparent, merit-based and gender-sensitive recruitment processes; performance management at all levels (including means of dealing with poor performers); and grievance processes to address instances of perceived unfair treatment. | 2009 onwards - through Membership arrangements | AusAID, NZAID, Posts and WoG partners |
| **Planning and budgeting** | | |
| 14. ANZ should propose that Governing Councils direct PROs to restructure 'core' or 'regular' budgets to include: (i) assessed Member contributions; and (ii) voluntary Member contributions (including from Pacific island Members) supporting fully costed multi-year Member-endorsed core priority programs. | 2009 onwards - through Membership Arrangements | AusAID, NZAID, Posts and WoG partners |
| 15. ANZ should propose to Governing Councils that donor-funded projects should contribute to Member-agreed priority programs; attract a consistent PRO management fee that contributes to Core budgets; and build knowledge and expertise within the PRO and its Membership. | 2009 onwards - through Membership arrangements | AusAID, NZAID, Posts and WoG partners |

| 2008 Joint Triennial Review Of Australian And New Zealand Approaches To Supporting Pacific Regional Organisations | | |
|---|---|---|
| Recommendation | Timing | Responsibilities |
| 16. ANZ should encourage PROs to maximise the use of cost recovery and user-pays mechanisms and, where there are funding gaps, highlight to Pacific island Members the opportunities of using bilateral donor funds to purchase regional services not included in funding for core programs. | 2009 onwards - through Membership arrangements | AusAID, NZAID, Posts and WoG partners |
| 17. ANZ should propose, with other Members, that Governing Councils direct PROs to ensure they operate systems for regular monitoring of expenditure and present annual balanced budgets that include updates of multi-year budgets against agreed strategic plans and respond to emerging priorities for Members' endorsement. | 2009 onwards - through Membership arrangements | AusAID, NZAID, Posts and WoG partners |
| **National impact** | | |
| 18. ANZ should direct, in arrangement with other Members, that national outcomes and impact in Pacific island countries is the basis of all PRO planning, implementation and reporting processes through policy advice, capacity building/supplementation and coordination, as outlined in the *Pacific Plan*. | 2009 onwards - through Membership arrangements | AusAID, NZAID, Posts and WoG partners |
| 19. ANZ should direct, in arrangement with other Members, that PROs, in line with previous directives, move from inputs reporting to outcomes and impact analysis based on simple monitoring and evaluation systems to better articulate the value-adding of regional approaches, the geographic spread of regional activities, and the differentiated levels of service required (e.g. sub-regional, capacity building/supplementation, etc). | 2009 onwards - through Membership arrangements | AusAID, NZAID, Posts and WoG partners |
| 20. ANZ should propose to Governing Councils that all regional agencies collaborate with emerging processes in devolution, joint country strategies and enhanced strategic policy and planning to provide one PRO pool of planning, policy coordination and analytical resources to all Members and improve coordination of regional and national planning. | 2009 onwards - through Membership arrangements | AusAID, NZAID, Posts and WoG partners |
| 21. ANZ should propose to Governing Councils that PROs support Members' requests for assistance in implementing key regional arrangements through development of individual national action plans with associated resource identification and support. | 2009 onwards - through Membership Arrangements | AusAID, NZAID, Posts and WoG partners |
| 22. ANZ should propose to Governing Councils that PROs develop approaches for national capacity supplementation (e.g. through JCS), including helping Pacific island countries identify capacity outsourcing opportunities to maintain national service delivery where capacity cannot be developed in the long-term. In this context, PROs should be discouraged from competing for funding resources with Pacific island Members without associated service delivery. | 2009 onwards - through Membership arrangements | AusAID, NZAID, Posts and WoG partners |
| **Gender equality** | | |
| 23. ANZ should request all PROs to report on the status | 2009 onwards | AusAID, NZAID, |

| 2008 Joint Triennial Review Of Australian And New Zealand Approaches To Supporting Pacific Regional Organisations | | |
|---|---|---|
| Recommendation | Timing | Responsibilities |
| of agency implementation of the CROP Gender Strategy at each Governing Council meeting and, through coordinated reporting, to PPAC to help monitor progress of the *Pacific Plan's* gender equality objective. | - through Membership arrangements | Posts and WoG partners |
| **CROP harmonisation** | | |
| 24. Pending the outcome of the CROP Working Group Review, ANZ should propose that all Governing Council meetings receive regular reporting on the coordination and collaboration achievements of CROP Working Groups. | 2009 onwards - through Membership arrangements | AusAID, NZAID, Posts and WoG partners |
| **Donor Coordination** | | |
| 25. ANZ should continue to play a lead role in advocating and implementing donor coordination in the region and support PIFS in its lead regional role in facilitating the effective use of regional resources. | Ongoing | AusAID, NZAID, Posts and WoG partners |
| 26. ANZ should propose at Governing Council meetings that all PROs develop and implement a donor engagement process, including new and emerging donors, to encourage and direct coordinated assistance to regionally-agreed priorities and ensure the predictability of funding. | 2009 onwards - through Membership arrangements | AusAID, NZAID, Posts and WoG partners |
| **Pacific Islands Forum Secretariat (PIFS)** | | |
| 27. ANZ should propose to FOC that a monitoring and evaluation framework for the new Corporate Plan be developed and implemented at the commencement of the Plan and that adequate resources be allocated by PIFS for this function to report annually to Members. | 2009 onwards - through Membership arrangements | DFAT, MFAT, AusAID, NZAID and Posts |
| 28. ANZ should ensure that the *Pacific Plan* Review takes into account the following in regard to the coordination and reporting of the *Pacific Plan*: (i) strengthening a longer-term implementation and reporting approach for more strategic regional policy decisions; (ii) implementation of the agreed M&E framework to help improve analytical and higher-level impact reporting; (iii) summary of singular CROP reporting for PPAC and other key regional meetings as a user-friendly menu of coordinated and rationalised services provided to Members; (iv) availability of an official updated version of the *Pacific Plan* to Members and all stakeholders via the website following annual Leaders' meetings to reflect changing regional priorities; (v) CROP coordination of in-country officers; (vi) improved regional donor coordination/aid management functions, including a more robust PIC Partners meeting; and (v) enhanced engagement of regional NGOs | 2009 | DFAT, MFAT, DFAT, MFAT, AusAID, NZAID and Posts |
| **Secretariat of the Pacific Community (SPC)** | | |
| 29. Members, including ANZ, should provide program funding to support SPC's corporate initiatives, such as the strengthened Planning Office to improve SPC efficiency and effectiveness in delivering core | 2009 onwards - through Membership arrangements | AusAID, NZAID, Posts and WoG partners |

| 2008 Joint Triennial Review Of Australian And New Zealand Approaches To Supporting Pacific Regional Organisations | | |
|---|---|---|
| Recommendation | Timing | Responsibilities |
| programs. | | |
| 30. ANZ should propose that CRGA/Conference directs that Joint Country Strategy processes ensure that: planning discussions and operations include all relevant national central and line agencies, and country-level resource allocation discussions are in line with its Secretariat role to service its Members | 2009 onwards - through Membership arrangements | AusAID, NZAID, Posts and WoG partners |
| 31. ANZ should propose that CRGA/Conference directs SPC to coordinate closely with PIFS and other regional agencies on decentralisation and Joint Country Strategies processes to produce a single JCS to avoid duplication and help strengthen national planning. | 2009 onwards - through Membership arrangements | AusAID, NZAID, Posts and WoG partners |
| **Forum Fisheries Agency (FFA)** | | |
| 32. ANZ should propose to FFC that FFA develop, budget for and implement an appropriate monitoring and evaluation framework to demonstrate the regional compliance required for sustaining the regional fisheries' resource and maximising economic returns. | 2009 onwards - through Membership arrangements | AusAID, NZAID and ANZ Fisheries Departments |
| **Secretariat of the Pacific Regional Environment Program (SPREP)** | | |
| 33. ANZ should ensure, through Governing Council meetings, that Independent Corporate Review recommendations endorsed by Members are implemented in a timely and efficient manner. | 2009 onwards - through Membership arrangements | AusAID, NZAID and ANZ Environment Departments |
| 34. ANZ should propose to the Governing Council that SPREP coordinates its work in the northern Pacific with SPC's Ponphei Office, given the Micronesian Leaders' Summit priorities on environment issues. | 2009 onwards | AusAID, NZAID and ANZ Environment Departments |
| **Pacific Islands Applied Geoscience Commission (SOPAC)** | | |
| 35. ANZ should enter into a transitional arrangement with SOPAC for 2009 until final decisions are made by Governing Councils for its absorption into SPC and/or SPREP from 2010. The transitional arrangement should recognise that ongoing program support for SOPAC is essential to ensure seamless delivery of its services to Members. When the outcomes of the absorption are decided, ANZ should modify their Membership arrangements with SPC and/or SPREP accordingly. | 2009 | AusAID and NZAID |
| 36. ANZ should propose to the Governing Council that SOPAC coordinates its work in the northern Pacific with SPC's Ponphei Office, given the Micronesian Leaders' Summit priorities on energy. | 2009 | AusAID and NZAID |
| **South Pacific Board for Educational Assessment (SPBEA)** | | |
| 37. ANZ should enter into a transitional arrangement with SPBEA for 2009 until a final decision is made by the Board for its absorption into SPC from 2010. The transitional arrangement should recognise that ongoing program support for SPBEA is essential to ensure seamless delivery of its services to Members. When the outcomes of the absorption are decided, ANZ should modify their Membership arrangements with SPC accordingly. | 2009 | AusAID and NZAID |
| **Pacific Power Association (PPA)** | | |

| 2008 Joint Triennial Review Of Australian And New Zealand Approaches To Supporting Pacific Regional Organisations | | |
|---|---|---|
| Recommendation | Timing | Responsibilities |
| 38. Given the role of the Pacific Power Association in the regional energy sector, ANZ should undertake further assessment to consider future engagement. Membership may not be preferred but the provision of either program or project funding will help support its operational impact on national service delivery and coordination with CROP. | 2009 | AusAID, NZAID, Posts and WoG partners |
| **South Pacific Travel (south-pacifictravel.com)** | | |
| 39. Given the role of South Pacific Travel in the regional tourism sector, ANZ should undertake further assessment to consider future engagement. Membership may not be preferred but the provision of either program or project funding will help support its operational impact on national service delivery and coordination with CROP. | 2009 | AusAID, NZAID, Posts and WoG partners |

## ATTACHMENT D.        TERMS OF REFERENCE

## Joint Triennial Review Of Australian And New Zealand Approaches To Supporting Pacific Regional Organisations (2008)

### 1.        Introduction and Context

The Australian Pacific Regional Aid Strategy (2004-2009) and the NZAID Pacific Strategy 2007-2015 provide overarching frameworks for Australia's and New Zealand's development assistance in the Pacific, including a greater emphasis on regional approaches to achieve development outcomes. The Strategies identify the important role that regional organisations have in coordinating and delivering regional solutions to shared problems in the Pacific. They focus on improved quality of regional organisation programs, capacity building efforts and internal management.

Australia and New Zealand (ANZ) have been strong supporters of Pacific regional mechanisms and major donors to the Council of Regional Organisations (CROP) agencies. ANZ have agreed to undertake a Joint Triennial Review of their assistance to Pacific Regional Organisations (PROs). ANZ fund the following PROs who have CROP membership:

- Pacific Island Forum Secretariat (PIFS)
- Secretariat of the Pacific Community (SPC)
- South Pacific Applied Geoscience Commission (SOPAC)
- Pacific Regional Environment Program (SPREP)
- Forum Fisheries Agency (FFA)
- South Pacific Board of Educational Assessment (SPBEA)
- University of South Pacific (USP)
- Fiji School of Medicine (FSMed)

Currently ANZ does not fund Southpacific.travel, the Pacific Islands Development Program (PIDP) or the newest member of CROP, the Pacific Power Association (PPA).

**Australian Approach to PROs**

Since January 2003, Australia has funded Pacific Regional Organisations (PROs) through a program funding approach comprising the assessed membership contribution and a program funding contribution towards implementing member-endorsed strategic programs.   In 2005, AusAID conducted a review on the effectiveness of the program approach.  The review recommended that the program approach be maintained citing improved responsiveness to emerging regional priorities, internal efficiency gains and more outcomes focused organisations.  On the basis of the 2005 Review, Australia agreed to continue program funding to eight regional organisations for a three year period (2006 – 08) through a Memorandum of Understanding (MOU) (see Annex 1).  Australia's current MOU with each of the regional organisations above will terminate 31 December 2008.

**New Zealand Approach to PROs**

New Zealand provides funding under individual agency funding arrangements agreed with each agency through High Level Consultation processes. Funding is provided through a mix of modalities including membership contributions and programme, tagged, project  and extra budgetary funding depending on the need and capability of agencies, and historical contribution patterns.  See Annex 2 for a summary matrix of NZAID funding arrangements.

**Factors influencing Regional Assistance**

The nature of ANZ's engagement with regional organisations has been influenced by a range of factors during the current MOU period including:

- Finalisation of the Pacific Plan (October 2005) and development of a number of initiatives under the Pacific Plan to strengthen regional approaches;
- The Regional Institutional Framework (RIF) Review and decisions by Forum Island Leaders on regional institutional structure (this includes the absorption of SOPAC into SPC and SPREP and the merging of SPBEA into SPC);
- Increased coordination and harmonisation with other donors;
- The Paris Aid Effectiveness Principles and the Pacific Declaration on Aid Effectiveness

Australia has also been influenced by:

- An increase in Australian aid funding; new Australian aid objectives and priorities; and development of significant new regional initiatives to the Pacific (including HIV/AIDS; non communicable diseases; Malaria; Australia Pacific Technical College; Pacific Leadership; and Infrastructure).
- Strengthened whole of government engagement in Australian aid;
- Strengthened partnership approach of the Australian Government;
- Strengthened approach to evaluation of Australian aid activities;
- Changes in management arrangements including devolution of management to overseas Posts.

NZAID has been influenced by:

- Increased aid funding;
- Need to focus funding efforts on bigger, fewer, longer and deeper engagements;
- Strengthened whole of NZ government approach; and
- Development of an evaluation framework for New Zealand aid activities.

Regional organisations are challenged to address the increasing array and complexity of regional issues on behalf of members within existing resources. Recent challenges include regional security and stability, climate change, energy security, biosecurity, HIV and AIDS; non communicable diseases and information communication and technology amongst others. Several PROs are engaging in planning and prioritisation exercises to ensure regional leaders' decisions are accorded the necessary priority.

For these reasons it is timely to review ANZ's approach to supporting Pacific Regional Organisations. The Review will inform Australia's Regional Aid Strategy for the period post 2009 and NZAID's Pacific Regional Strategy implementation. The Review will form the basis of an Australian submission to Government covering Australia's funding approach to regional organisations and subsequently new funding agreements with regional organisations post 2008. NZ will use the review as the basis for a framework for engagement with PROs.

## 2. <u>Purpose and Scope of the Joint Triennial Review</u>

The purpose of the Review is to:
- (i) review ANZ funding arrangements for PROs;
- (ii) assess how these impact on capacity of PROs to achieve Pacific regional objectives; and
- (iii) make recommendations regarding future ANZ support to PROs.

The Joint Triennial Review will focus on strategic and program funding issues relating to ANZ's assistance to PROs and issues that are common to ANZ's relationships with regional organisations. The review is not intended as a comprehensive assessment of PRO performance in the region, as such assessments are principally within the domain of PROs' governing bodies. Likewise, specific issues relating to the technical programs of regional organisations are outside of the scope of this Review. That said, it will not always be possible to assess the effectiveness of ANZ support for PROs in isolation from agency performance, as the two are, to some extent, mutually supportive.

The Review will need to take account of the following related reviews:

- An independent corporate review of SPREP (currently underway).
- A Regional Tertiary Institution Review (including consideration of support to USP and FSMed), responding to the Australian Government's interest in strengthening the quality of tertiary education in the Pacific.
- A mid-term review of the Pacific Plan (scheduled for early 2009).

On this basis, the scope of the Joint Triennial Review is as follows:

## 2.1    Assess and make recommendations on the following generic issues:

### 2.1.1    *Role of regional organisations and rationale for ANZ's assistance*

- Role of regional organisations including their role in implementation of the Pacific Plan and strengthening collaborative approaches to priority regional issues.  This should draw on relevant material including Leaders', Ministers' and governing bodies' decisions, noting the recent decision taken by CROP Heads in their April 08 meeting to commission a review of the CROP working group mechanism to make it more strategic and linked to the Pacific Plan and decisions taken by Leaders and respective governing bodies.
- Relevance of regional organisations' strategic focus and work programmes in relation to ANZ's bilateral aid programs, and the impact of this on PRO management arrangements; including a mechanism or framework to improve planning and complimentary between regional and bilateral funding for national priorities where regional execution contributes to good outcomes in a number of countries.
- Respective objectives of ANZ's assistance to each regional organisation.
- Alignment between ANZ strategic development priorities, including support for regionalism and the Pacific Plan, and PROs strategic plans and objectives.
- ANZ's roles, engagement and expectations as members and donors, including engagement with governing bodies, the role of high-level consultations and programming talks, and *ad hoc* engagement with PROs on specific issues (including planning and budgeting).
- ANZ's approaches to partnerships with regional organisations and the need for a partnership framework.
- Absorptive capacity of PROs and appropriateness of the levels of ANZ funding with regards to their capacity to implement decisions by Forum Leaders and respective governing bodies.
- Implications of growing support for regional organisations by other donors.
- Mandate, responsibility and critical role of PROs in advancing cross-cutting issues, including gender mainstreaming (ref: 1998 CROP Gender Strategy) and climate change.

### 2.1.2    *ANZ's approaches to funding and management*

- ANZ's respective approaches to funding regional organisations (including definition, type and timing of funding and nature of agreement, member contributions, program contribution and extra budget funding).
- Risks and benefits associated with each funding modality.
- ANZ's respective approaches to management of the partnership and strategic dialogue; MOU and extra budget initiatives including by other ANZ government agencies.
- Effectiveness of program funding, tagged, project and extra budget funding.
- Mechanisms and guidance for extra budget funding outside of program/core funding (including approach to administration fees) and scope for rolling any extra budget funding initiatives into core/program funding.
- Mechanisms to address emerging priorities not foreseen or not able to be quantified at the time of reaching funding agreement.
- ANZ approaches to monitoring and evaluation, including investigation of further scope for alignment and harmonisation.

- ANZ coordination and harmonisation approach with each other and other donors, and the role of governing bodies in driving this.
- ANZ's support relative to other donors including emerging donors.
- ANZ's policy dialogue and funding support to PROs for mainstreamed and crosscutting issues e.g. gender equality; climate change adaptation mechanisms.
- Investigation of ways to further reduce the transaction costs to regional organisations of administering donor funds.

### 2.1.3   Effectiveness and reform of regional organisations

*Note:  the work carried out under this section of the terms of reference is not intended to duplicate or run parallel to the various ongoing functional reviews and initiatives in the region flowing from, inter alia, the Pacific Plan and Regional Institutional Framework (RIF).  Rather, it should focus on the implications of these reviews and initiatives for ANZ support of PROs.*

- Effectiveness of regional organisations in utilising ANZ funding in meeting their strategic priorities and how donors can best support effectiveness through choices of funding modality and methods of engagement (including for mainstreamed and crosscutting issues within PRO mandates).
- Effectiveness of regional organisations in responding to and supporting national level leadership, priorities, and processes.
- Effectiveness of regional organisations in meeting member countries technical needs including their effectiveness in promoting services to member countries.
- Effectiveness of addressing the special circumstances of small island states.
- Identification of examples of good practice and programming approaches that specifically strengthen nationally led processes.
- Issues and recommendations arising from regional organisation reviews, and regional organisations strategic or corporate plans which coincide with the period 2006-2008.
- Issues and recommendations arising from AusAID's quality at implementation review process.
- Regional organisations' approach to performance assessment and results based management.
- Achievements against the Australian MOU 2006-08 and New Zealand funding arrangements over the similar period.
- Effectiveness of support to regional organisations as a regional approach (see Australian Review of the Effectiveness of Regional Approaches).
- Other issues as stipulated by AusAID completion report and independent completion report requirements.
- New institutional arrangements arising from the RIF Review including the decision by Leaders for (i) SPBEA to merge with SPC; (ii) for SPC and SPREP to absorb the functions of SOPAC; (iii) for PIFS to refocus its core business with the transfer of a number of 'technical programmes' to SPC; and (iv) for strategic partnership and collaboration between FFA and SPC.

### 2.2    Assess and comment on the following Agency Specific Issues

| PRO | Triennial Review Focus |
|---|---|
| PIFS | • Rebasing and core priorities, corporate planning, budget planning and management |
| SPC | • RIF decision to assume SPBEA and some SOPAC functions<br>• Expansion of SPC to assume some SOPAC functions, SPBEA and |

| | |
|---|---|
| | some PIFS functions <br> • Expansion of SPC capacity to implement key decisions by Forum Leaders in the Pacific Plan that underpin improvement in other areas such as statistics; digital strategy etc; <br> • Planning capacity, systems and structures to expand <br> • Capacity to collaborate with FFA |
| **SOPAC** | • Transfer of SOPAC functions to other agencies and implications for funding of current and future activities |
| **SPREP** | • Expansion of SPREP to assume some SOPAC functions, including change management |
| **SPBEA** | • Incorporation of SPBEA functions into SPC and implications for funding of current and future activities |
| **FFA** | • Internal reforms <br> • RIF recommendation for FFA to be incorporated into political pillar <br> • Performance reporting <br> • Capacity to collaborate with SPC |
| **Pacific Power Association (PPA)** | • Possible assistance to this new Pacific Regional Organisation |

### 3.    Outputs of the Review

3.1    **Inception Report** – summarising Review team's methodology for the Review 20 June 2008.

3.2    **Progress Report** – summarising key issues arising from the Consultations by 4 August 2008.

3.3    **Draft Review** - containing assessment and recommendations against the generic issues and specific agency issues identified above by 29 August 2008.

3.4    **Draft Partnership Documentation** - based on recommendations of the Review, draft documentation that will guide ANZ's future partnership with Regional Organisations for the period post 2008.   These could be either joint ANZ approaches or separate and may include:
-        Partnership Framework and Engagement Strategies
-        Funding agreements such as MOUs

Partnership documentation should clearly specify where appropriate:

Objectives of assistance
   • levels and basis of funding
   • partnership principles
   • responsibilities and accountabilities
   • outputs and outcomes
   • performance indicators, monitoring and management arrangements
   • risk management and sustainability

3.5    **Final Review and Partnership Documentation** – responding to comments received on the Draft Review and Partnership Documentation by 26 September 2008.

### 4.    Methodology

The review is planned as a joint ANZ review.   A project steering committee comprising representatives from Australia and New Zealand will support and manage the process.

*Desk Review*
- Briefing on review scope
- Develop Review methodology
- Review documentation
- Consult stakeholders including:
  - AusAID and NZAID (regional organisation managers and managers of particular initiatives implemented by regional organisations)
  - Australian government agencies including DFAT, DAFF, DEHA, BOM, GeoScience Australia
  - NZ Government agencies including MFAT. NZP, NZDF, MAFF, Treasury, MED, MOT
  - Donors – EU, UNDP and other metropolitan members including France

*Field Review (Suva, Noumea, Apia, Honiara)*
- Consult PIFS, SPREP, FFA, PPA, SPC, SPBEA and SOPAC.
- Consult Member Countries during field visits, as agreed

## 5.     Timeframe

| Phase / Task | Date |
|---|---|
| Finalise Joint ANZ ToR | May |
| Phase 1 Joint Desk Review | June |
| Phase 2  Joint Field Review | June/July |
| Phase 3 – Joint Evaluation and Draft Review Report | July –August |
| Joint Peer Review and Finalisation of Review Report | September |
| Australia Ministerial Submission | September |
| ANZ Draft Engagement Strategies | September |
| Australia to Draft and Negotiate Funding Agreements | October |
| Australia to Finalise Funding Agreements | November |

## 6.     Documentation to Review

*Regional Reports*
- RIF Review and decision documentation
- Pacific Plan and reporting
- Regional Organisation documentation including Strategic and Corporate Plans; Annual Reports and Council meeting records
- SPREP: 2007 internal review: 2008 SPREP independent corporate review, 2007-08 Reports of Strategic Program Advisor
- PIFS:  2004 Eminent Persons Group Review, 2008 Corporate planning exercise, Corporate Plan 2008- 2010
- SPC 2008 Review of Strategic Directions, 2005 Independent Review, Independent Programme / Divisional Strategic Plans for the period covered; Independent Programme Reviews for the period covered; Corporate Plan 2007 - 2012
- FFA: Business Plan review and Revised Business Plan (2008-2010)
- CROP Gender Strategy 1998 (Revised 2005) and CROP Gender Stock Take Review report 2007
- Pacific Plan Digital Strategy (2006) and its Implementation

*AusAID*
- AusAID Review of Regional Strategy (see below)
- AusAID Review of the Effectiveness of Regional Approaches (see below)

- AusAID 2005 Review of Australia's Approach to PROs
- Australia's current MOU's with regional organisations 2006 – 2008
- Australia's Engagement Strategies with Regional Organisations
- AusAID Quality at Implementation reporting
- Regional Organisation Review reports including, SPREP independent corporate review, PIFS rebasing exercise; SPC review
- High Level Consultation records
- Other AusAID Policy documents with references to Pacific regionalism e.g. Gender Policy

*NZAID*
- NZAID Pacific Strategy 2007-2015
- NZAID Multilateral and Regional Agency Assessment Frameworks and Strategy – to consider relevance of such an approach to regional agencies.
- NZAID MOUs and other agreements with Regional Agencies
- Other NZAID Policies with specific references to Pacific regional engagement e.g. Gender Policy

### *Regional Aid Strategy Review*

A Regional Strategy Review is concurrently underway to assist with the development of a more coherent, consistent and measurable strategic framework for Australia's aid to the region that incorporates all forms of Australian support. It is envisaged that a new strategy would be developed from the Regional Aid Strategy Review that would outline Australia approach to development in the Pacific and its approach to regionalism. This Review will inform the broader Regional Strategy Review.

### *Review of the Effectiveness of Regional Approaches*

AusAID is currently undertaking a Review of the Effectiveness of Regional Approaches to:
• Assess the effectiveness of AusAID-funding for regional programs in the Pacific; and
• Provide recommendations on how AusAID could improve the effectiveness and long term impact of regional programs delivered in the Pacific and provide a more coherent approach to overall Pacific aid programming including bilateral and regional program delivery.
Timeframe: draft report 29 Feb and final report end March

### *Regional Tertiary Institution Review*

The Regional Tertiary Institution Review will take place alongside the Review of Regional Organizations. The Review will respond to the Australian Government's interest in strengthening the quality of tertiary education in the Pacific including through the University of South Pacific and the Fiji School of Medicine.

### *Independent Corporate Review of SPREP*

Australia's current MOU with SPREP (2005-2008) requires SPREP to undertake an independent corporate review. This is being jointly undertaken with NZAID. The objectives of the review are to make recommendations to the SPREP Council on steps to enhance Secretariat performance, based on SPREP Member feedback on the effectiveness of SPREP Secretariat services and the relevance of its priorities. Timeframe: April to June

### *Completion Report and Independent Completion Reports*

For initiatives that are of an ongoing nature (such as MOU's with regional organisations), AusAID requires that a Completion Report and Independent Completion Report should be prepared at the end of each major phase. The Office of Development Effectiveness have agreed that separate Completion Reports and Independent Completion Reports for each of the current MOU's with regional

organisations are not required providing that the Triennial Review of Australia's Approach to Supporting Regional Organisations covers off on the requirements of Completion and Independent Completion reports.


## 7.    <u>Review Team</u>

NZAID rep: Philip Hewitt

AusAID rep: Janine Constantine, Pacific Governance Policy and Program Adviser

Review Steering Committee: Christine Pahlman (AusAID), Mark Ramsden (NZAID) and Deborah Collins (NZAID)

**Annex 1. AusAID Funding Arrangements with PROs**

| Agency | Type of Arrangement | Start date | End date |
|---|---|---|---|
|  |  |  |  |
| Pacific Island Forum Secretariat (PIFS) | MOU | 1 Jan 2006 | 31 Dec 2008 |
| Secretariat of the Pacific Community (SPC) | MOU | 1 Jan 2006 | 31 Dec 2008 |
| South Pacific Applied Geoscience Commission (SOPAC) | MOU | 1 Jan 2006 | 31 Dec 2008 |
| Pacific Regional Environment Program (SPREP) | MOU | 1 Jan 2006 | 31 Dec 2008 |
| Forum Fisheries Agency (FFA) | MOU | 1 Jan 2006 | 31 Dec 2008 |
| South Pacific Board of Educational Assessment (SPBEA) | MOU | 1 Jan 2008 | 31 Dec 2008 |
| University of South Pacific (USP) | MOU | 1 Jan 2006 | 31 Dec 2008 |
| Fiji School of Medicine (FSMed) | MOU | 1 Jan 2007 | 31 Dec 2007 |

**Annex 2. NZAID Funding Arrangements with PROs**

| Agency | Type of Arrangement | Start date | End date |
|---|---|---|---|
|  |  |  |  |
| Pacific Island Forum Secretariat (PIFS) | Funding Arrangement | 1 Jan 2007 | 31 Dec 2008 |
| Secretariat of the Pacific Community (SPC) | Strategic Partnership Arrangement | 1 Jan 2007 | 31 Dec 2008 |
| South Pacific Applied Geoscience Commission (SOPAC) | Memorandum of Arrangement | 1 Jan 2005 | 31 Dec 2007 (one year extension to 31 Dec 2008 agreed in principle) |
| Pacific Regional Environment Program (SPREP) | Funding Arrangement | 1 July 2007 | 31 December 2008 |
| Forum Fisheries Agency (FFA) | Memorandum of Arrangement | 1 Jul 2005 | 30 Jun 2008 |
| South Pacific Board of Educational Assessment (SPBEA) | Letter of Contribution | 1 January 2008 | 31 December 2008 |
| University of South Pacific (USP) | Memorandum of Arrangement: Strategic Partnership | 1 Jan 2005 | 31 Dec 2007  New, two year agreement for core funding agreed in principle. |
| Fiji School of Medicine (FSMed) | Memorandum of Arrangement: Strategic Partnership | Jan 2005 | Dec 2007  Six month extension agreed in principle. |

## ATTACHMENT E.        CONSULTATIONS

2008 JOINT TRIENNIAL REVIEW OF AUSTRALIAN AND NEW ZEALAND
APPROACHES TO SUPPORTING PACIFIC REGIONAL ORGANISATIONS

| Date | Location | Organisation / People consulted |
|------|----------|----------------------------------|
| 23 June | Canberra | *AusAID*, Cathy Bennett, SPREP Review Member |
| 24 June | Canberra | *AusAID* PRO Managers, key Advisers and relevant Thematic Program staff: <br> Colin Reid, Director Pacific Regional Coordination <br> Paul Mitchell, Pacific Climate Change Program Officer <br> Laura Holbeck, Pacific Fisheries Program Officer <br> Vanessa Hegarty, Pacific Governance Program Officer <br> Gordon Anderson, Pacific Fisheries Adviser <br> Paula Henriksen, Education Thematic Group <br> Chakriya Bowman, Acting Director Pacific Economic Growth <br> Priya Sivakumaran, Pacific Economic Governance Program Officer <br> Tim Gill, Pacific Health Program Officer <br> Carrie-Anne Best, Pacific Partnerships Program Officer <br> Christine Pahlman, Pacific Regional Program Manager <br> Theo Levantis, Economics Adviser <br><br> *Australian WoG* partners: <br> Klaus Klaucke, Director Asia Pacific, Department of Health <br> Lee Gordon, Michael Crawford, Manager International Programs – Pacific, Bureau of Customs <br> Anne Reader, Director International Relations Australian Bureau of Statistics <br> Ram Krishna, Supervisor International Affairs Bureau of Meteorology – <br> Margot Clifford, Assistant Director Department of Immigration <br> Chris Barnes, Pacific Transnational Crime Network AFP <br> Judy Barfield, Manager Sub-continent, NZ and Pacific, Trade and Market Access Division, Anna Willock, International Fisheries and Aquaculture, Trade and Market Access Division, Julia Rymer, Executive Officer, Australian IPPC Secretariat, DAFF <br> Ananda Abeyaratne, DEEWR <br> Les Baxter, Research Program Manager – Horticulture, Pacific Regional Coordinator ACIAR <br> Steve Burnett, Pacific Maritime Security Liaison Officer, Shannon, Aviation, Department of Infrastructure, Transport, Regional Development and Local Government |
| 26 June | Wellington | *NZAID* program managers and MFAT officials: <br> Craig Hawke, Director Pacific Group, NZAID <br> Belinda Brown, Deputy Director Pacific Division MFAT <br> Mark Talbot, Pacific Division MFAT <br> Ric Woodham, Team Leader SAEG NZAID <br> Mark Ramsden, Team Leader Pacific Group, NZAID <br> Deb Collins, Team Leader Pacific Group NZAID <br> Ginny Chapman, DPO Government Agencies Fund NZAID <br> Cameron Cowan, Adviser SAEG NZAID <br> Michael Hartfield, DPM Pacific Group NZAID <br> Tom Wilson, DPM Pacific Group NZAID <br><br> *NZ WoG* partners: <br> Mark Feary, Statistics NZ <br> Katie Gordon, NZ Customs |

|          |        |                                                                                                                                                                                                                                                                                                                   |
|----------|--------|---|
|          |        | Sally Jennings, Ministry of Agriculture and Fisheries<br>Paul Houliston, Civil Defence / Emergency<br>Mark Jacobs and Wendy Edgar, Ministry of Health<br>Eleanor Hale, Department of Women's Affairs<br>Suzanne, Department of Labour |
| 1 July   | Noumea | *Australian Consulate:* Anita Butler, Consul General and Stephan Bohnen, Deputy Consul General<br><br>*Government of France:* Ambassador Jacques Buguet, French Delegate to SPC and Adviser to the Commissioner<br><br>*Government of New Caledonia:* Laurent Semavoine, Regional Engagement Unit Head |
| 2-3 July | Noumea | *SPC:*<br>Jimmie Rodgers, Director General<br>Richard Mann, Deputy Director General<br>Amena Yauvoli, Manager, Regional Office for the North Pacific, Ponphei<br>Marine Resources Division: Lindsay Chapman (Manager Coastal Fisheries Programme), Tim Lawson (OIC / Oceanic Fisheries Programme)<br>Pacific Parliamentarian Assembly on Population and Development (PPAPD): Tanagata Vainerere (Coordinator)<br>Social Resources Division: Bill Parr (Director), Dennie Iniakwala (HIV/AIDS & STIs), Viliame Puloka (NCDs), Tom Kiedrynski (PH surveillance), Jennie Fisher (PRIPPP)<br>*Statistics and Demography Programme:* Gerald Haberkorn (Manager) |
| 3 July   | Noumea | *New Zealand Consulate:* Charlotte Frater, Vice Consul |
| 14 July  | Suva   | *SPBEA:* Ana Kabuabola Raivoce, Director and<br>Dr Uhila-moe-Langi Farsi, Senior Professional, Qualifications<br><br>*South Pacific Travel:* Tony Everitt, Chief Executive and<br>Helen Po'uliva'ati, Capacity and Communications Manager<br><br>*PPA:* Tony Neil, Executive Director and Gordon Chang, Deputy Executive Director |
| 15 July  | Suva   | *SPC:*<br>Jimmie Rodgers, Director General<br>Land Resources Division: Inoke Ratukalou (OIC - Agriculture & Forestry Resources Policy), Dr. Mary Taylor (Genetic Resources/CePACT), Sydney Suma (Biosecurity & Trade Support), Sairusi Bulai (Forests & Trees/forestry & Agriculture Diversification), Dr. Kenneth Cokanasiga (Animal Health & Production), Dr. Siosiua Halavatau (Crop Production & Soil Management), Ms. Sushil Narayan (LRD Administration)<br>Regional Media Centre: Larry Thomas (Co-ordinator)<br>RRRT: Sandra Bernklau (Project Manager)<br>Adolescent Health: Rufina Latu (Adviser), Rosalina Banuve (AHD Regional Co-ordinator), Robyn Drysdale (HIV & STI)<br>Regional Maritime Program: Fagoloa Tufuga (Legal Officer)<br>Community Education Training Centre: Lia Maka (Head)<br>Corporate and Financial Services: Les Walker (Director), John Yee Chief (Deputy Director), Matilda Simmons (HR Officer) |
| 16 July  | Suva   | *PIFS:*<br>Feleti Teo, Acting Secretary General<br>Roman Grynberg, Manager Trade and Economics<br>Stephanie Jones, Director, Corporate Services<br>Hennry Ivarature, Governance Adviser<br>John Budden, Infrastructure Adviser<br>Kosi Latu, Money Laundering Adviser (outgoing) |

|          |         |                                                                                                   |
|----------|---------|---------------------------------------------------------------------------------------------------|
|          |         | Tim Fisher, AFP Security Adviser                                                                  |
| 17 July  | Suva    | *SOPAC:*                                                                                           |
|          |         | Cristelle Pratt, Director                                                                          |
|          |         | Paul Fairbairn, Manager Community Lifelines                                                        |
|          |         | Mosese Sikivou, Manager Community Risk                                                             |
|          |         | Arthur Webb, Oceans and Islands Program Manager                                                    |
|          |         | Mohinish Kumar, Manager Corporate Services                                                         |
|          |         | Paula Holland, Adviser Natural Resources Governance                                                |
|          |         |                                                                                                   |
|          |         | *New Zealand and Australian High Commissions:*                                                     |
|          |         | HE Caroline McDonald, New Zealand High Commissioner                                                |
|          |         | HE James Batley, Australian High Commissioner                                                      |
|          |         | Dimitri Geidelberg, New Zealand High Commission                                                    |
|          |         | Cecilia Warren, New Zealand High Commission                                                        |
|          |         | James Sweeting, Counsellor, Australian High Commission                                             |
|          |         | Romaine Kwesius, Counsellor, Australian High Commission                                            |
| 18 July  | Suva    | *Donor Roundtable:*                                                                                |
|          |         | Robert de Raeve, EU                                                                                |
|          |         | Pascal Dayez-Bourgon, France                                                                       |
|          |         | Quinn Plant, USA                                                                                   |
|          |         | Nanise Young, JICA                                                                                 |
|          |         | Fei Mingxing, China                                                                                |
|          |         | Maria Melei, ADB                                                                                   |
|          |         | Garry Wiseman, UNDP Pacific Centre                                                                 |
| 21 July  | Suva    | *Pacific Plan Action Committee* – informal consultations with Members                              |
| 22 July  | Suva    | *Government of Fiji:*                                                                              |
|          |         | Solo Mara, Deputy Secretary, Executive Management Division of Ministry of Foreign Affairs          |
|          |         | George Masi, Security Program, Ministry of Foreign Affairs                                         |
|          |         | Makereta Sauturaga, Director, Department of Energy                                                 |
|          |         | Emi Rabukawaqa, Permanent Secretary, Ministry of Education                                         |
|          |         | Ram Chandra, Deputy Permanent Secretary, Ministry of Education                                     |
| 30 July  | Apia    | *New Zealand and Australian High Commissions:*                                                     |
|          |         | Ian Bignall, AusAID Counsellor                                                                     |
|          |         | Misileta Masoe-Satuala, AusAID Program Officer                                                     |
|          |         | David Dolphin, NZ Deputy High Commissioner                                                         |
|          |         | Helen Leslie, NZAID First Secretary                                                                |
|          |         |                                                                                                   |
|          |         | *SPREP:*                                                                                           |
|          |         | Asterio Takesy, Director                                                                           |
|          |         | Kosi Latu, Deputy Director (incoming)                                                              |
|          |         | Stuart Chape, Program Manager Island Ecosystems                                                    |
|          |         | Bruce Chapman, Program Manager Pacific Futures                                                     |
|          |         | Frank Griffin, Pollution, Prevention and Waste Management Adviser                                  |
| 31 July  | Apia    | *Government of Samoa:*                                                                             |
|          |         | Noumea Simi, ACEO, Aid Coordination Unit, Ministry of Finance                                      |
|          |         |                                                                                                   |
|          |         | *Women in Business NGO:*                                                                           |
|          |         | Adimaimalaga Tafuna'I, Executive Director                                                          |
|          |         | Karen Mapusua, Deputy Director                                                                     |
|          |         |                                                                                                   |
|          |         | *GHD:*                                                                                             |
|          |         | Daniel Todd and Melanie Ashton (ISSD)                                                              |
| 5 August | Honiara | *Solomon Islands Government:*                                                                      |
|          |         | Barnabas Anga, Permanent Secretary Ministry of Foreign Affairs and External Trade                 |
|          |         | John Wasi, Assistance Secretary Ministry of Foreign Affairs and External Trade                    |
|          |         | John Tuhaika, Assistance Secretary, Regional Economic Cooperation Ministry of Foreign Affairs and External Trade |

|  |  |  |
|---|---|---|
|  |  | Alan Daonga, Director Aid Coordination Ministry of Planning and Aid Coordination |
|  |  | Adrian Toni, Director Economic Production Sector Ministry of Planning and Aid Coordination |
|  |  | Lynne Liqua, Director Planning Ministry of Planning and Aid Coordination |
|  |  | Rence Soreh, Permanent Secretary Ministry of Environment Conservation & Meterology |
| 6 August | Honiara | *Forum Fisheries Agency*: |
|  |  | Dan Sua, Director General |
|  |  | David Rupokets, Director Corporate Services |
|  |  | Adrea Volentras, Director Fisheries Operations |
|  |  | Len Rodwell, Director Fisheries Development |
|  |  | Kakala Vave, Planning Coordinator |
|  |  | Moses Amos, Director Fisheries management |
|  |  | Lamiller Pavut, Surveillance Operations Officer |
|  |  | Norman Kapun, Manager Information Technology |
| 7 August | Honiara | *Solomon Islands Government:* |
|  |  | Ronald Unusi, Permanent Secretary Ministry of Lands, Housing and Survey |
|  |  |  |
|  |  | *New Zealand and Australian High Commissions:* |
|  |  | HE Peter Hooton, Australian High Commissioner |
|  |  | HE Deborah Panchurst, New Zealand High Commissioner |
|  |  | Rebecca Spratt, First Secretary, NZAID |
|  |  | Kamal Azmi, AusAID Counsellor |
|  |  | Hannah Churton, DFAT Second Secretary |
|  |  | Gordon Anderson, A/g Fisheries Adviser |
|  |  | Frank Kama, AusAID Program Officer |
| 8 August | Honiara | *Solomon Islands Government:* |
|  |  | Tione Bogotu, Permanent Secretary Ministry of Energy, Mines and Rural Electrification |
|  |  |  |
|  |  | *RAMSI:* |
|  |  | James Hall, RAMSI Aid Coordination Officer |

## ATTACHMENT F.          DOCUMENT REVIEW

### 2008 Joint Triennial Review of Australian And New Zealand Approaches To Supporting Pacific Regional Organisations

**Regional Reports**

- Pacific Plan (also refer Forum Communiqués)
  - Annual Report  2008
  - Six-month Report  2008
  - Annual Report 2006
- RIF Review/s and decision documentation
- Strengthening Regional Management, Anthony Hughes 2005
- CROP Gender Mainstreaming Stocktake Report 2007
- Pacific Regional Digital Strategy
- Supporting Strengthened Regional Cooperation Among PDMCs, July 2008 Workshop Outcomes Summary, ADB

**AusAID Reports**

- Review of Australia's Approach to PROs 2005
- Pacific Regional Aid Strategy
- The Effectiveness of Australian-supported Regional Programs in the Pacific: A Desk Review
- AusAID policy documents:
  - Gender Equality in Australia's Aid Program
  - Better Education
  - Aid and the Environment – Building Resilience, Sustaining Growth
  - Tackling Corruption for Growth and Development
  - Australian Aid: Approaches to Managing Water Resources
  - Helping Health Systems Deliver
  - Food Security Strategy
  - Income Generation for the Rural Poor
  - Making Every Drop Count

**NZAID Reports**

- Pacific Islands Regional Strategy 2007-2015
- Pacific Overview Factsheet, October 2007
- Where Do We Work - Pacific Regional Agencies (assorted documents)
- Pacific Leadership Development Strategy
- Pacific Islands Region Commentary
- Annual Review 2007
- Te-Kaupapa-Tikanga 2002
- Strategic Policy Framework for NZAID and New Zealand NGOs 2002
- ODA Review 2001
- Key Measures/Statistics 2007
- DAC Peer Review 2005
- Strategy 2005-2010
- NZAID policy documents:
  - Gender Equality Factsheet
  - Empowering Women
  - Healthy Environment - Reducing Poverty
  - Ending Poverty Begins With Health
  - Health Policy
  - Environment and International Development

- NGOs Factsheet
- Trade Can Reduce Poverty
- Harnessing International Trade
- Education Policy
- Education is a Human Right
- Pacific Disaster Management
- Preventing Conflict and Building Peace
- Human Rights Policy
- Multilaterals Engagement Strategy 2005-2010
- HIV/AIDS Factsheet
- Country Strategies

**PIFS**
- Agreement establishing the Pacific Islands Forum
- Eminent Persons Group Review of the PIFS 2004
- Corporate Plan 2005 - 2007
- Corporate Plan 2008- 2010 (draft)
- Annual Report 2005-2006
- Leaders' Communiqués 2004 - 2007
- Australian MOU 2006-2008
- AusAID Engagement Strategy
- QAI Reports: Core Budget  and XB 2008
- AusAID HLCs – 2006 and 2007
- NZAID HLC Minutes February 2007
- 2008 Budget Papers (assorted)
- PPAC Briefing for PIF Leaders on Recommendations to Support the Continuing Implementation of the Pacific Plan, 21-22 July 2008
- FOC Papers 2008
- Program documents (assorted)

**SPC**
- Canberra Agreement
- Tahiti Nui
- Corporate Review of the SPC 2005
- Implementation of Recommendations of the 2005 Corporate Review 2007
- Corporate Plan 2007 – 2012
- Annual Report 2006 and 2007
- Committee of Representatives of Governments and Administrations (CRGA) 2006 and 2007
- Australian MOU
- AusAID Engagement Strategy
- QAI Reports – 2007, 2008 (small activities) 2008 (core budget)
- Australian HLCs
- Program documents (assorted)

**FFA**
- Convention
- Business Plan Review 2007
- Business Plan 2008-2010
- Strategic Plan 2005–2020
- Director General's Annual Report 2006 and 2007
- Annual Work Program 2006-2007
- Annual Work Program 2007-2008
- Revised Annual Work Program 2007-2008

|        |   |
|--------|---|
|        | • Performance Report 2006 |
|        | • Proposed Annual Work Program 2008-2009 |
|        | • Australian MOU 2006-2008 |
|        | • AusAID Engagement Strategy |
|        | • QAI Reports – 2007 and 2008 |
|        | • Australian HLC 2008 |
|        | • Program documents (assorted) |
| **SPREP** | • Agreement establishing SPREP |
|        | • Internal Organisational Review 2006 |
|        | • Independent Corporate Review 2008 |
|        | • Reports of Strategic Program Advisor 2007-2008 |
|        | • Australian MOU 2005-2008 |
|        | • Strategic Programmes 2004-2013 |
|        | • Action Plan for Managing the Environment of the Pacific Islands Region 2005-2009 |
|        | • Annual Report 2006 |
|        | • Council Meeting Records 2006 and 2007 |
|        | • Engagement Strategy |
|        | • QAI Reporting |
|        | • Australian HLC 2007 |
|        | • Program documents (assorted) |
| **SOPAC** | • Review of Agreement Establishing SOPAC |
|        | • Strategic Plan 2005-2009 |
|        | • Annual Business Plan 2006 |
|        | • Annual Report 2006 |
|        | • 35th Council Meeting Records 2006 |
|        | • 23rd STAR Session 2006 |
|        | • Australian MOU 2006-2008 |
|        | • AusAID Engagement Strategy |
|        | • Program documents (assorted) |
| **SPBEA** | • Constitution |
|        | • Strategic Plan |
|        | • Corporate Plan |
|        | • 26th Annual General Meeting 2006 |
|        | • Australian MOU |
|        | • AusAID Engagement Strategy |
|        | • QAI Reports |
|        | • Governing Council - Core Contributions |
|        | • Core Activity Proposal February 2008 |
|        | • Program documents (assorted) |
| **PPA** | • Strategic and Corporate Plans |
|        | • Annual Report |
|        | • Council Meeting Records |
| **SOUTH PACIFIC TRAVEL** | • Regional Tourism Strategy for the South and Central Pacific, South Pacific Tourism, 2003 |
|        | • Annual Report 2007 |