

# NINETEENTH SMALLER ISLAND STATES LEADERS' MEETING

**Port Vila  
Vanuatu**

*3 August 2010*

## SUMMARY OF DECISIONS

The Pacific Islands Forum Smaller Island States (SIS) Leaders' Meeting was held on 3 August 2010 in Port Vila, Vanuatu, and was attended by Leaders of the following SIS: the Cook Islands; Kiribati; Nauru; Niue; the Republic of the Marshall Islands; and the Republic of Palau. The Special Envoy of the Prime Minister of Tuvalu also participated at the meeting. Tokelau was represented by the Ulu o Tokelau as an Observer. The meeting was chaired by the Premier of Niue, His Excellency Mr Toke Talagi, in the first instance. Upon his arrival, His Excellency Mr Johnson Toribiong, the President of the Republic of Palau, officially assumed the role of Chair of the 19<sup>th</sup> SIS Leaders Meeting. Leaders thanked the Government and the people of Vanuatu for their warm hospitality and for the excellent arrangements.

### **(i) Update on the SIS Unit**

2. Leaders commended the SIS Unit for progress of SIS issues in the past year and its important role in coordinating and supporting the implementation of regional initiatives and programmes outlined in the Pacific Plan, that are of particular interest to SIS and SIS Leaders' decisions.

3. Leaders further highlighted the number of SIS Pacific Plan Desk Officer positions currently vacant and noted that the one year tenure of employment contracts is an impediment to attracting interest in the position and keeping the right calibre of people. Leaders acknowledged the value of the SIS Pacific Plan Desk Officers and called on expediting appointments of the vacant positions in country.

4. SIS Leaders agreed to:

- i. **Direct** the Secretariat to extend the SIS Pacific Plan Desk Officer employment tenure to a minimum of three (3) years and ensure funding sustainability; and

- ii. **Task** SIS Officials to work together with the Secretariat to expedite the appointment of vacant SIS Pacific Plan Desk Officers

**(ii) Update on the Pacific Plan**

5. Leaders noted the low levels of reporting by Forum island countries and recognised that five out of the eight reports received are from SIS.
6. Leaders noted the practical utility of reporting in providing clear guidelines on alignment and improved coordination of efforts in the implementation of the Pacific Plan, particularly in streamlining Cairns Compact reporting processes into the Pacific Plan.
7. Leaders acknowledged the following emerging priorities for the attention of SIS: **finalising delineation of permanent maritime boundaries; promoting and increasing coverage of safe drinking water & basic hygiene; refocusing education efforts on literacy and numeracy; expanding definitions of disaster response and risk management beyond those posed by climate change; and the continuing lack of technical and managerial capacity within power utilities.**
8. SIS Leaders agreed to **note** the update on the work to implement priorities under the Pacific Plan.

**(iii) Update on the Implementation of the Cairns Compact on Strengthening Development Coordination**

9. Leaders acknowledged the special recognition given to SIS in the implementation of the Cairns Compact, particularly in their involvement in the Peer Review process (Nauru and Kiribati) and the number of SIS that had submitted reports on the status of their national development plans.
10. Nauru and Kiribati promoted the value of the Peer Review in providing guidance to strengthening its systems to improve coordination and alignment of development efforts.
11. **Guidance was sought on progressing recommendations of the peer review, noting the importance of improved coordination with and of development partners as critical in determining these steps.**
12. SIS Leaders **agreed** to:
  - i. **Note** the update on work to implement the deliverables of the Cairns Compact;

- ii. Recognise an initiative under the CROP Sustainable Development Working Group to establish a Pacific National Sustainable Development Strategies' Partnership as a coordination mechanism supporting the Cairns Compact; and
- iii. Direct the Secretariat and relevant CROP and development partners to facilitate practical next steps in establishing time-bound and optimum processes suited to individual SIS contexts utilising findings from the Compact reporting.

**(iv) Climate Change**

Sustainable Financing for Climate Change

13. Leaders noted the strategic issues and current efforts associated with climate change financing drawn from NAPA, which included: targeting finance to national priorities; balanced financing for adaptation, mitigation, and policy support; the importance of mechanisms for improved and enhanced country access to climate change funds; better coordination and linkages between CROP agencies; and the need for improved baseline information.

14. Of note was SPREP's work on a feasibility study to consider: a baseline assessment of current resources available to PICs for climate change at national and regional levels; the analysis of options for a robust financing facility; the pros and cons of a backstopping mechanism for the financing facility; and the possibility of development partner and FIC coordination mechanisms.

15. Leaders noted the importance of looking further ahead, in being able to credibly dictate where global funding on climate change should be targeted. **This would require establishing costed climate change programmes that foresee long term directions and issues.**

16. Leaders further noted the proposed funding commitments pledged to the region resulting from the Copenhagen Accord and **the importance of developing robust funding modalities and arrangements to absorb and manage any influx of funds, in particular from the Copenhagen Accord.**

17. *SIS Leaders agreed to direct the Secretariat and SPREP to facilitate the development of a regional financing modality to administer, manage and monitor the influx of funding.*

*EU Climate Change Fund*

18. Leaders noted the objectives of a project to support SIS efforts towards adaptation to the impacts of climate change, under the auspices of the *EU-Pacific Joint Initiative on Climate Change, to be implemented over three years from 2011.*

19. Leaders recognized the importance of also pursuing the following issues related to the *global funding from the EU under their pledge to the Copenhagen Accord:*

- a) that SIS be a priority consideration for the global EU climate change financing, in particular to ensure that EU funding is more accessible for SIS;
  - b) that SIS receive a guaranteed proportion under the EU global commitments to climate change funding from Copenhagen, recalling that 40% will be allocated through multi-lateral instruments and 60% will be allocated bilaterally; and
  - c) seek assurance that funding allocations at the international level reaches the SIS, including through CROP agencies.
20. SIS Leaders **agreed** to
- i. **Support** the EU-Pacific Joint Initiative on Climate Change;
  - ii. **Task CROP to provide technical assistance in developing relevant project proposals in order to access EU funds;** and
  - iii. **Direct** the Secretariat to bring to the attention of the EU the issues related to their commitments under the Copenhagen Accord

*Renewable energy*

21. Leaders noted the Framework for Action on Energy in the Pacific and reaffirmed their commitment to renewable energy and an energy efficiency future based on achievable, practical and voluntary targets.

22. Leaders noted the available funding windows on renewable energy for SIS and their limited capacity to develop renewable energy proposals and manage large funded projects.

23. Leaders **agreed** to:

- i. **Support** the Framework for Action on Energy Security in the Pacific;  
and
- ii. **Direct SPC, SPREP and PPA to:**
  - a. **offer hands-on training opportunities for SIS in developing funding proposals and renewable energy project management;**
  - b. jointly support developing a multi-million dollar sub-regional project for SIS to be funded under the Pacific Environment Community (PEC) Fund, where required; and
  - c. develop the proposal in close consultations with relevant authorities of the SIS, building on past and current renewable energy developments.

*PALM 5 – Pacific Environment Community (PEC) Fund*

24. Leaders noted the update on establishing the necessary procedures and structures for the management of the PEC Fund and further acknowledged the efforts of the Secretariat to maintain ongoing communication with member countries on progress of its establishment.

25. In view of the near establishment of the PEC Fund Management Unit within the Secretariat, Leaders noted the need to expedite the application process for access to the PEC Funds based on the agreed outlined procedures and funding allocation per FIC.

26. SIS Leaders **agreed to direct** the Secretariat to expedite the application process for access to the PEC Funds based on agreed outlined procedures and funding allocation

*Regional Meteorological Services*

27. Leaders acknowledged the final report by SPREP concerning the review of regional meteorological services, noting the recommendations in the areas of improved coordination, strengthening national meteorological services, addressing the high turnover of meteorological expertise in the region and the next steps put forward by the review.

28. Leaders further noted the importance of capacity building and resource mobilisation in this area and called on SPREP to scale up efforts to address the high turnover of expertise in the region and the sustainability of required resources.

29. In their acknowledgement of SPREP as the Regional Desk for Pacific National Meteorological Services, Leaders requested other CROP agencies and the relevant development partners to support the efforts of SPREP in this regard.

30. Leaders **agreed** to;

- i. **Endorse** the recommendations of the review on regional meteorological services;
- ii. **Endorse** SPREP as the Regional Desk for Pacific National Meteorological Services; and
- iii. **Direct** other CROP agencies and the relevant development partners' support efforts of SPREP in this regard.

*Post Copenhagen Brief and the Way Forward to Cancun Mexico*

31. Leaders noted the lessons learnt from Copenhagen, which included:

- a) the value of pre-COP meetings and negotiation training with SPREP;
- b) the importance of working closely with the Alliance of Small Island States (AOSIS) and caucusing as a Pacific group;
- c) the importance of focusing on key issues of relevance to the Pacific, such as development of a fully functional and well funded Adaptation Fund that prioritizes the most vulnerable countries;
- d) involving other CROP agencies at UNFCCC meetings;
- e) establishing realistic expectations at Cancun for the Pacific; and
- f) capitalising on the positive elements of the Copenhagen Accord while continuing to focus on a legally-binding agreement as a desired outcome.

32. In their consideration of Pacific preparations to the upcoming COP meetings in Cancun, Leaders noted the importance of the Pacific presenting an established financing facility to address the proposed climate change funding through the Copenhagen Accord and from other funding sources.

33. Leaders welcomed and noted the timely announcement by Kiribati of their hosting of the Tarawa Climate Change Conference – an international conference on climate change in November 2010. This Conference aims to bring together all sides of the climate change debate, to try and promote understanding and consensus on the plight of the Pacific in the face of the climate crisis. Personal exposure to the context of the islands of the Pacific, particularly

the low-lying atolls and islands, is expected to promote better understanding on why climate change is such a significant issue of great concern in the Pacific.

34. Leaders welcomed the following approaches in strengthening the visibility of Pacific concerns on climate change, which included optimal use of the best available Pacific experts to steer and advocate Pacific perspectives, utilization of other available frameworks to address Pacific climate change issues and continue efforts to enhance the visibility of the Pacific story on climate change internationally.

35. Leaders noted the importance of formulating an agreed position as a Pacific region through a preparatory regional meeting to develop a strong and consolidated Pacific position leading up to and during the Cancun meeting.

36. SIS Leaders **agreed** to:

- i. **Formulate** an agreed position leading up to Cancun;
- ii. **Direct** the Secretariat and SPREP to facilitate a preparatory regional meeting to consider a regional position leading up to Cancun; and
- iii. **Support** the proposed Tarawa Climate Change Conference hosted by Kiribati.

(v) **Update on the SIS Sub-regional Shipping Services**

37. Leaders welcomed and supported the progress made in strengthening sub-regional services, in particular efforts aimed at establishing shipping services to support the Smaller Island States and through linking successes in the North Pacific to strengthen efforts in the South.

38. Leaders acknowledged and emphasised the importance of continuing the current sub-regional feeder service by KSSL to Nauru and Tuvalu. Leaders further noted the need to ensure a contingency to respond to any unforeseen shifts in the ability of KSSL to maintain this service.

39. SIS Leaders **agreed** to:

- i. **Support** progress made in strengthening sub-regional shipping services;
- ii. **Note** the physical and commercial constraints continuing to affect shipping services in the region, particularly for SIS;

- iii. **Direct** the SPC to facilitate a contingency plan and service to respond to unforeseen shifts in KSSL capacity to provide the current sub-regional shipping service; and
- iv. **Direct** SPC to continue its efforts to further explore options to strengthen sub-regional shipping services to SIS members in the south.

**(vi) Update on the Implementation of the Bulk Procurement of Fuel Initiative**

40. Leaders noted progress on the implementation of the Pacific Petroleum Project, in particular the release of the first three milestone reports to signatories which outlined the completion of an assessment of national standards and requirements, a procurement strategy, and a risk assessment.

41. Leaders also noted that to maximize benefits from the scheme, namely optimum price and quality of petroleum and cost effectiveness in procurement and storage, it was of critical importance for as many SIS members as possible to sign up to the MOU for bulk procurement.

42. Leaders recognised that only four SIS have signed the MOU and encouraged more countries to sign the Pacific Petroleum Project MOU, noting the role of SPC and PIFS to put more emphasis in promoting this initiative amongst the non-signatory countries.

43. Of note were good practice examples of procurement arrangements utilized in Samoa and the Federated States of Micronesia as a potential basis for negotiations under the MOU.

44. SIS Leaders **agreed** to;

- i. **Note** the progress made to date in supporting the implementation of the initiative;
- ii. **Direct** SPC to continue to provide the necessary information and facilitate preparations of non-signatory countries to eventually sign the MOU; and
- iii. **Encourage** those SIS who have yet to do so to sign up to the MOU.

**(vii) Update on Labour Mobility**

45. Leaders noted ongoing developments on labour mobility in the region as well as parallel developments on TMNP-related activities and the progress of labour mobility objectives under the auspices of PACER Plus, PICTA, EPA and other trade agreements.

46. Leaders further noted the importance of strengthening the marketability of SIS workers for their inclusion in labour schemes and called on the Secretariat to work closely with New Zealand and Australia on further enhancing opportunities for SIS.

47. SIS Leaders **agreed** to:

- i. **Task** CROP to remain engaged through participation in discussions on regional labour mobility initiatives; and
- ii. **Direct** Trade Officials to be actively engaged in facilitating labour mobility undertakings beneficial for the region with respect to commitments under PICTA Trade in Services, EPA, PACER Plus and other trade agreements.

**(viii) Update on the Implementation of the Framework for the Action on Food Security in the Pacific**

48. Leaders recalled their commitment to the importance of food security from the Forum in Niue, 2008, where they agreed to develop effective approaches to ensure that all people, at all times, have physical, social, and economic access to sufficient, safe and nutritious food.

49. In doing so, Leaders acknowledged the Framework for Action on Food Security as the basis of further actions at the national and regional levels.

50. Leaders recognised the urgency in addressing food security issues and in particular the impact of climate change and sea level rise on agricultural production in low-lying islands.

51. SIS Leaders **agreed** to **endorse** the Framework for Action on Food Security as the basis for further actions at the national and regional levels.

**(ix) Update on Gender Initiatives and Catalytic Fund for Gender Equality in the Smaller Island States**

52. Leaders acknowledged efforts to strengthen gender equality through the establishment of the SIS Catalytic Fund for Gender Equality (CFGE) within the Secretariat.

53. Of importance was the objective of the fund to advance women's representation in decision making processes, through women's political empowerment and women's economic empowerment.

54. Leaders emphasised with concern that the empowerment of women is constrained by a number of factors, including domestic violence. Leaders encouraged the inclusion of the

security of women as a necessary component in efforts to strengthen the empowerment of women.

55. SIS Leaders **agreed** to **direct** the Secretariat to provide an update on its implementation at their next meeting.

**(x) Disability Inclusive Developments in Smaller Island States**

56. Leaders acknowledged disability inclusiveness as an emerging and important issue in the region and noted the improved responsiveness in the region with regard to disability issues.

57. Of note was the need to address the specific issues of the most vulnerable, in particular women and young children living with disabilities.

58. SIS Leaders agreed to:

- i. **Adopt** disability-inclusive development as part of government priorities in all SIS, including specific policy and legislation on disability; and
- ii. **Support** the need to address the specific issues facing women and young children with disabilities.

**(xi) Green Energy Micronesia (GEM) Initiative**

59. Leaders noted the main aim of the GEM Initiative which is to provide an achievable goal for the region in the short term through a proposed 20:30:20 approach which promotes: 20 percent improvement in energy efficiency by suppliers or supply side management (SSM); 30 percent improvement in efficiency by end users or demand side management (DSM); and 20 percent of electricity generation through renewable energy for the energy sector to progress from 2010 to 2020

60. Leaders **agreed** to:

- i. **Endorse** the initiative as part of further sub-regional efforts to achieve Forum priorities, and
- ii. **Direct** CROP agencies to provide the necessary support in its implementation.

**OTHER MATTERS**

*Presentation by the Ulu O Tokelau*

65. Leaders noted with gratitude the observations of the Ulu o Tokelau and acknowledged the ongoing support of Tokelau to the efforts of the SIS.
66. Leaders welcomed and received a presentation of the new Tokelau flag to the SIS as recognition of the close relationship between SIS and Tokelau.

*Oceania Football Confederation Initiative on Youth and Sports*

67. Leaders noted the presentation by Niue on regional efforts by the Oceania Football Confederation to promote health, education, citizenship and social integration amongst the youth of the region.

68. SIS Leaders **agreed** to **task** the Secretariat and SPC to work with OFC to develop an appropriate framework that incorporates this initiative into current SIS activities and to **report** back to Leaders.

*Taiwan/Republic of China*

69. The Leaders noted Palau's intention to discuss during the Pacific Forum Leaders meeting the participation of Taiwan/Republic of China in the Post Forum-Dialogue process.

Port Vila, Vanuatu  
3 August 2010