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SOUTH
PACIFIC
FORUM
SECRETARIAT

1996-97
ANNUAL
REPORT

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forum member countries



foreword



I am pleased to introduce the 1996/97 Annual Report of the South Pacific Forum Secretariat.

The period covered by the Report was a particularly significant one in the history and the work of the Secretariat. In line with previous decisions of the Forum, the Secretariat began 1997 with a new structure concentrating in the areas of Trade and Investment, Development and Economic Policy and External Relations. Other programmes undertaken in 1996 were either terminated or transferred to the other regional organisations.

The changeover to the new structure has been relatively smooth, largely due to the support and cooperation of our members and staff. The new structure and focus however presented an opportunity to explore further ways of improving our delivery to the countries. The delegation of responsibilities was revised to give Directors more control and say on matters affecting the operation of their Division. In addition the Corporate Plan was reviewed to ensure that it remains relevant to our new structure and focus. In particular the aim has been to ensure that the programmes and activities pursued address the real needs of our members. The revised Plan will be submitted for endorsement by the Forum Officials Committee.

These efforts were supplemented by a programme of visits to the countries. The aim here is to get a better feel of the countries' concerns and needs and discuss how best the Secretariat can assist. These visits helped us both to understand the countries better and to make the various departments/ministries aware of the programmes that we operate - assisting us to provide a better service to the countries.

The year was marked also by a special effort to take advantage of new information technology. In addition to the upgrading of the computer network, the organisation now has an E-Mail connection, and a Home Page on the World Wide Web. The E-Mail link now provides us with a very fast and effective means of communication and already has been used to contact both other regional organisations and a number of our members. The Internet Home Page (<http://www.forumsec.org.fj>) gives our members and the general public quick access to current information about the Forum and the work of the Secretariat.

During the course of 1997 good progress has been made in the implementation of our work programmes. As at the time of this report about 65% of the funds available were utilised and we expect that, by the year's end, 90% of the funds available will have been used. But in terms of major activities in support of our new focus - it is very pleasing to report that, just after the end of this reporting period, the Forum Economic Ministers Meeting

(FEMM) was convened successfully in Cairns, Australia. Ministers agreed at the meeting to an Action Plan covering such important areas as trade, investment and good governance.

Implementation of the Plan will go a long way in addressing some of the problems now faced by many of our members. The Secretariat work on developing policy options and ideas for Ministers to consider at this meeting was very well received.

Funding support for the Secretariat has always been strong. The budget for 1997 is smaller than past years and more focussed on Forum priority areas. This frees up donor funds for assisting other regional organisations or for national programmes. As in previous years I want to put on record our appreciation for the generous support from our many donors. The fact that we continue to have this support is indicative of the confidence these countries have in the work of the Secretariat. The decision taken by our member countries to increase their combined assessed contributions by over 20% reflects countries' continued support for the work of the organisation.

This year's report marks the end of my term with the Secretariat - a period of six years. It has been a genuine privilege to serve as Secretary General, and I want to take this opportunity to express my sincere gratitude to the governments and the people I have worked with, for their support and cooperation. I must make a special mention of the support of the staff of the Secretariat. On several previous occasions I have remarked that without the staff there is no Secretariat. I want to repeat that here, because without the contribution of each and everyone the Secretariat would not have been able to perform as effectively as it has.

Over the years the Secretariat has developed a tradition of commitment to serving its member countries. My aim has been to maintain and build on that tradition in the six years I have been with the Secretariat. With the ever increasing changes worldwide politically, economically and in technology the central role of the Forum Secretariat in providing effective policy advice, programme coordination and advocacy on issues within the mandate given us by countries has never been more important. I wish the next Secretary General, the Forum and the Secretariat every success in the future.

Jeremia T Tabai
Secretary General





1996 Forum officials committee.

The Forum Secretariat is headed by Secretary General, Hon Ieremia T Tabai and assisted by the Deputy Secretary General, Mr Tony Slatyer. The Secretary General is responsible to the Forum Officials Committee for the management of the Secretariat.

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

structure of the forum secretariat



development and economic policy division

During 1996/97, important changes were made to the Division's focus to align it with the Secretariat's new emphasis on policy and coordination. The Division's name was changed from "Economic Development" to "Development and Economic Policy" to reflect the importance of coordinating policy work within a broader development framework. Qualitative changes were made to the existing Divisional functions to sharpen their policy focus in the areas of development cooperation and economic analysis and development planning. A new function was added, in the area of regional coordination, to reflect the need for sound policy coordination in the overall context of sustainable development.

development cooperation

The Division continued to coordinate the submission of funding proposals and accountability reports to donors in some cases on behalf of several regional organisations.

With regards to the European Union, in addition to on-going servicing of the role of Regional Authorising Officer for the European Development Funds provided under the Lome Convention, the Division convened a regional training workshop on EU procedures which was carried out in May 1997 and developed the 35 million ECU Pacific Regional Indicative Programme (PRIP) covering EU's assistance to regional programmes for 1997-2001. The Division also advised members on key development cooperation issues arising from the discussions on the future of the Lome Convention. The development of the PRIP document and the convening of a Ministerial meeting on future relations with the EU were particularly significant both in terms of the amount of substantive and logistical work involved, and in establishing the Division's new policy advisory and coordination role in the area of development cooperation.

The Secretariat also has a coordinating role for development assistance from Canada, under the Second Canadian South Pacific Oceans Development Programme. The Division coordinated the development of the programme, valued at C\$14 million over seven years. The Division also advised on gender issues in the formulating and implementing of CSPODP projects and the provision of advisory and training assistance to other SPOCC organisations, member countries, and other development agencies including UNDP.

special purpose funds

The Division manages the following special purpose funds and activities.

(1) Fellowship Scheme, providing funds for short term prac-

tical attachments; (2) Specialised Technical Advisory Services, providing short-term consultancies; (3) Smaller Island States Funds, providing special development project funds and assistance to attend Forum-organised meetings; and (4) Regional Disaster Relief Fund for relief grants of up to F\$20,000 per natural disaster. Apart from on-going appraisal and approval of requests, approval and monitoring procedures were reviewed.

high level meeting arrangements

The Division coordinated preparations for, and follow-up from, the Smaller Island States Economic Summit held in Nauru in September 1996, attended by Heads of Government of Cook Islands, Kiribati, Nauru, Niue and Tuvalu and has made arrangements for the 1997 Summit to be held in the Cook Islands.

The Division also coordinated preparations and servicing for the Forum Economic Ministers Meeting, attended by all Forum governments in Cairns in July 1997. This entailed development of a wide range of policy and background papers, for use by ministers and their staff.

economic policy analysis and planning

The Division's analysis and dissemination of economic policy information to member countries for 1996/97 included: (a) building up of reference collection on FIC economies; (b) update and publication of FIC profiles, including statistical indicators; (c) preparation and publication of working papers and background studies on economic issues including structural reform programmes in the region; and (d) preparation, printing and distribution of the quarterly Trends & Development publication.

Providing and arranging technical assistance for capacity-building in economic reform and development planning was also an important part of the Division's activities in 1996/97. This included the review of planning capacities in the FICs and preparing and conducting two in-country (Solomon Islands and Vanuatu) workshops for planners.

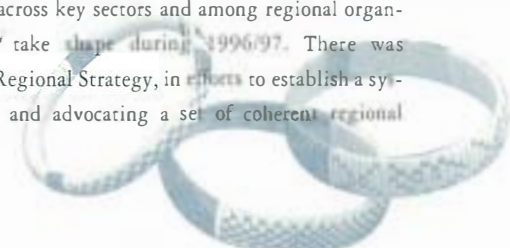
policy coordination

The Division's new strategic role in coordinating sustainable development issues across key sectors and among regional organisations started to take shape during 1996/97. There was progress, under the Regional Strategy, in efforts to establish a system for identifying and advocating a set of coherent regional



HE Imata Kabua, President of the Republic of Marshall Islands & Chairman of the South Pacific Forum addressing the UN.

- Photo courtesy of UN



development priorities to guide allocation of scarce resources. A draft Regional Strategy document was prepared and considered with the assistance of other regional organisations and some success was achieved in integrating the Regional Strategy process with programming for use of EU and Canadian donor funds.

The Division also sought to integrate key social issues in the activities of the Secretariat and other regional organisations, and to clarify and pursue key economic infrastructure issues of a policy nature inherited from Secretariat Divisions closed down or moved to other regional organisations in 1996. The Division also provided analytical support for members seeking to promote

regional positions at international fora addressing development issues. These discussions included the FAO World Food Summit, the UN Special Session on Sustainable Development, and the EU/ACP negotiations.

Another area of work gaining prominence under the new Secretariat mandate is providing policy support to the South Pacific Organisations Coordinating Committee (SPOCC) which, in 1996/97, included preparing for and servicing two full SPOCC meetings and two Working Group meetings; participation in task forces of other SPOCC agencies; and on-going coordination of SPOCC inputs into the Forum process and other key regional and international processes.



1996 Forum session in Majuro, Republic of Marshall Islands.

political and international affairs division

Important changes were made to the Division's focus during the 1996/97 reporting period to align it with the Forum's increasing emphasis on international relations. The name of the Division changed from "Legal and Political Division" to "Political and International Affairs Division" to reflect this shift in focus.

The work of the Division now emphasises the promotion of the Forum's interests in international fora and providing policy advice and assistance to members on international relations, law enforcement cooperation and political, legal and security issues.

law enforcement cooperation

Implementation of the Forum's 1992 Honiara Declaration on Law Enforcement Cooperation continues to form the core of the Division's work in this area; the first phase is expected to be completed by December 1997. Drug enforcement training continued with the delivery of a second drug workshop for senior police/customs managers and four more in-country drug training courses for operational officers. Drug awareness posters and strip search equipment were distributed to all Forum island countries.

Funding assistance was provided under the Secretariat's Law Enforcement Assistance Scheme for member countries to have law enforcement officials attend a variety of training and specialist meetings.

The Division coordinated arrangements for the annual Forum Regional Security Meeting, attended by representatives of all Forum countries. One of the major issues discussed was the future of the Committee and consideration of an effective regional mechanism to coordinate regional law enforcement and security cooperation.

During 1996/97 the Secretariat continued to strengthen its working relations and dialogue with specialist regional agencies such as the Customs Heads of Administration (CHARM); Pacific Islands Law Officers (PILOM); South Pacific Commissioners of Police (SPCPC); Regional Heads of Prisons Meeting (RHPM) and South Pacific Immigration Directors (SPID).

Close cooperation was also maintained with international agencies such as the Commonwealth Secretariat and the United Nations Drug Control Programme (UNDCP). The Secretariat arranged for a regional delegation to attend the 40th Session of the Commission on Narcotic Drugs, the UNDCP's governing body, and participated in a regional training seminar in Sydney, Australia for national drug administrators organised for the South Pacific region by the International Narcotics Control Board (INCB).

legal tasks

The Division continues to provide some in-house legal advice and runs a programme of legal drafting assistance to Forum Island countries. It also serves as a depositary for several regional agreements.

The Division has stepped up its activities in international legal issues including support for members at the first precom for the Nuclear Non-Proliferation Treaty (NPT) 2000 Review Conference, and participation in the Meeting of Law Officers of Small Commonwealth Jurisdictions. The Division has continued its efforts to keep abreast of key international developments and disseminating these to members.

international issues

A nuclear issues seminar was held in March 1997 to raise members' awareness of nuclear issues in their totality and to apprise members of international developments in this area. The Seminar was followed by a one day meeting of members to progress the region's consideration of issues raised at the Seminar, in particular negotiating positions for the Nuclear Non-Proliferation Treaty 2000 Review Conference and the encouragement of signature and ratification of the Comprehensive Test Ban Treaty.

Liaison with the international community is important in promoting the Forum interests. Considerable effort is given to servicing the Forum's observer status at the United Nations and increasing the Forum's profile at other international fora where issues of direct concern to the region are being discussed.

The Post Forum Dialogue was established in 1989 to communicate important decisions by the South Pacific Forum to countries and entities with a longstanding interest in the region. It is conducted at Ministerial level and is the primary multilateral consultation vehicle for the region. The successful Dialogue following the 1996 Forum again demonstrated the value of this process. Malaysia will join the Post Forum Dialogue process in 1997 with Canada, the European Union, France, Japan, the People's Republic of China, South Korea, the United Kingdom and the United States.

regional issues

Coordination of arrangements for the Forum is a major task, undertaken in close consultation with the host (Republic of Marshall Islands for 1996, Cook Islands for 1997)



The late President of the Republic of Marshall Islands & Chairman of the South Pacific Forum, HE Amata Kabua, at the opening of the 1996 South Pacific Forum meeting in Majuro, Republic of Marshall Islands.

The Secretariat arranged and supported the Forum Ministerial Mission to New Caledonia, which reported to the 1996 Forum. Another Mission is being arranged for 1997.

High level visits from member countries are coordinated by the Division and, since the last report, the Secretariat has hosted the President of the Republic of the Marshall Islands and Chairman of the Forum, HE President Imata Kabua, the Australian Foreign Minister, the Hon Alexander Downer and the New Zealand Foreign Minister, the Rt Hon Don McKinnon as well as a number of other distinguished visitors from the region and other parts of the world.

public affairs

The Division continues to promote and publicise the views of the South Pacific Forum on major issues affecting the region, as well as highlighting Secretariat programmes and activities. In addition to accessing traditional channels such as print and broadcast media, information is now being distributed through the Secretariat web site (<http://www.forumsec.org.fj>). The web site has helped related efforts to develop an electronic mail system that will reduce the amount of time and money used in the transmission of messages and documentation both locally and internationally. The Division also helps host Governments to coordinate media arrangements for the Forum and other important regional meetings.



Pacific island leaders at the 1996 South Pacific Forum in Majuro, Republic of Marshall Islands.

trade and investment division

The Division's objectives are to assist members' understanding of changes in the global trading environment, strengthen private sector policies, help improve export competitiveness, and develop a network for technical, economic and marketing information. As part of the Forum Secretariat restructuring, the Division is increasingly involved in policy advice on trade and investment issues.

policy development

Following the 1995 Forum Finance Ministers meeting and the 1996 Majuro Forum the Division, in conjunction with the Foreign Investment Advisory Services (FIAS), assisted members in developing transparent Investment Policies in line with the APEC non-binding Investment Principles. Discussion papers were prepared on investment issues facing the region. Another Tariff Study covering a further six members was commissioned for presentation at the Forum Economic Ministers Meeting in Cairns, Australia in July 1997. This brings the total of countries included in Tariff Studies to nine.

In collaboration with the World Trade Organisation (WTO), an intensive two-week training seminar was held on WTO Agreements and associated issues. Country assistance on WTO matters was provided to Fiji, Federated States of Micronesia, Palau, Republic of Marshall Islands, Solomon Islands, Tonga, Vanuatu and Western Samoa.

Discussion papers and presentations were made on the Lome Convention and WTO issues. Specific technical assistance on WTO matters was provided to Fiji, Solomon Islands and Vanuatu.

Activities within Asia Pacific Economic Cooperation (APEC) were followed closely, with the Division arranging Forum observer participation at Ministerial and Senior Officials Meetings in Asia and Canada. The Forum delegation to the APEC Trade Ministers Meeting in Montreal was led by the Fiji Minister for Trade, Commerce and Public Enterprises.

The Division participated at the annual Melanesian Spearhead Group Trade and Economic Officials Meeting. Several studies were requested, and completed, for the MSG group.

Several policy related studies were initiated, including a business cost survey designed to help policy makers make informed decisions. The survey results will facilitate members' reform programmes.

A separate study, on the issue of credit, focuses on the diffi-

culties experienced by indigenous entrepreneurs seeking finance for their business activities. The study examines financing sources available, identifies key problems facing entrepreneurs and makes policy recommendations to improve the situation.

industry, investment and import management

Assistance for the manufacturing and processing industries continued through the Industries Development and Training Programme (IDTP). Short term technical consultancies were provided as well as on-the-job attachments in FIC's, Australia and New Zealand.

The first Heads of Investment Promotion Agencies (IPA) meeting of FIC's was organised by the Division. The meeting provided a forum to discuss regional cooperation issues concerning investment promotion, policy and facilitation. Investment heads proposed a regional investment network to meet annually. The aim is to promote understanding and regional cooperation and share country experiences in attracting investment.

A workshop on Investment Facilitation and Promotion for larger island countries was held in Apia, Western Samoa to assist with the formulation of transparent policies and strategies to attract foreign investment. An updated version of the publication 'Foreign Investment Climate in Forum Island Countries' was produced. APEC secretariat included information on members' investment regimes in its Investment Guide and on the web.

Two business management workshops for small businesses in the tourism sector were organised, one for participants from Palau, Federated States of Micronesia and Marshall Islands; the other for participants from Fiji, Papua New Guinea, Solomon Islands, Tuvalu and Vanuatu. The workshops focused on enhancing understanding of marketing concepts and identifying practical measures to help build up sales. Similar business management workshops are planned for 1998.

The Division helped develop new programmes and projects introduced by the European Union and Canada. Project documents were prepared for the Automated System For Customs Data (ASYCUDA) and Train for Trade, to be provided by UNCTAD.

In the case of the second phase of the Canadian South Pacific Ocean Development Programme, Division staff assisted other regional agencies to maximise private sector involvement in the



Processed foods by Willex Marketing in Suva.

development of their projects.

Discussions began with the People's Republic of China on the establishment of a Trade Representative Office in Beijing.

Phase II of the UNDP funded Advisory Services and Training in Import Management programme is being implemented by the International Trade Centre, Geneva in cooperation with the Forum Secretariat. The programme aims to help members plan, procure and manage imported goods so as to reduce unit costs and diversify supply sources. Phase I covered Fiji, Kiribati, Tuvalu, Vanuatu and Western Samoa while Phase II covered Cook Islands, Federated States of Micronesia, Solomon Islands and Tonga.

Advice on petroleum issues continued through regional workshops and seminars.

promotion and marketing

The Marketing Support Fund continued to assist FIC exporters with promotion, market studies, market research, participation at international fairs and exhibitions, product development and marketing intelligence.

A sub-regional workshop on Food Processing was conducted in the Federated States of Micronesia aimed at assisting food processors. It was the third in the series. The Division arranged a trade fair in New Caledonia to promote Forum island country products in this market.

The sub-regional meeting on kava in March 1997 provided marketing and technical information on kava, particularly its use by the pharmaceutical industry. The meeting considered means of promoting kava on global markets.

The Division is trying to develop more export markets for wild ginger, nonu (*morinda citrifolia*) and other medicinal plants from the Pacific Islands.

A seminar on the Development of Unique Bio-Industries was held in Western Samoa in February 1997 to develop bio-industries, especially in agriculture, for export to Japan and other established markets. The focus was on orchids, natural fertiliser and medicinal plants.

The Division was supported by the work of the three associated offices - the South Pacific Trade Commissions in Auckland and Sydney, and the Pacific Islands Centre in Tokyo.

information dissemination

A second edition of the South Pacific Trade Directory has been published. A development programme matrix summarises current donor and regional agency programmes that focus on private sector development. This information is useful to avoid duplication in regional programming activities, identify gaps in existing programmes and suggest areas for future cooperation. The Trade Forum newsletter continues to provide a wide range of information on activities, opportunities and events covered by the Division.



Pacific participants at a Trade & Investment seminar in Seoul, Korea.

south pacific trade commission, Sydney

This office promotes technical and financial assistance, and disseminates information. It implements programmes to generate private sector activity and promotes investment in Forum Island Countries.

The Commission also organises a Forum Island Country presence at trade exhibitions as well as programmes to enhance the marketability of export products.

Nearly 2000 enquiries about trade and investment opportunities were handled by the Commission during the year. Advice and assistance was provided to identify potential partners for joint venture projects. An Internet Home Page provides information about the South Pacific Forum, the Commission and the Forum

Secretariat's Trade and Investment Division; basic data on the countries; foreign investment policies; and a Notice Board with monthly updates.

A monthly Australian Newsletter is produced, while information on the Australian market is provided to the bi-monthly Trade Forum Newsletter produced by the Trade and Investment Division. Each fortnight Fresh Produce and Seafood price lists are circulated to Pacific Island Countries so exporters can monitor market prices.

Credit Checks on Australian firms are another service of the Commission, giving background information on their 'standing' in the business community.

south pacific trade commission, Auckland

This office assists with export development and the promotion of foreign investment, tourism and cost effective import procurement. These are achieved through practical services, information and advice, with an emphasis on private sector development.

There were more than 800 enquiries in the reporting year. Tailored information was provided covering products and information on market access, general market data and market research activities, such as surveys and product trials. Sourcing of effective supplies, machinery and packaging were of special interest.

Market information on New Zealand was disseminated by means of regular trade statistics, fortnightly Produce Price Lists, commodity prices, radio broadcasts and a series of market reports on a range of forest, marine, horticultural and processed products.

The popular guide to exporting fresh produce was updated. The Trade Forum newsletter remained a successful medium for publicising NZ business and market opportunities. The trade library and display area was revamped and greater use made of the

Internet and other on-line trade related services.

Financial assistance was provided through the Commission's Marketing Support Fund (MSF) for both multilateral and specific projects as well as various funding schemes available from the NZ Government and the Forum Secretariat.

The MSF also provided assistance for marketing and work experience visits to NZ by a number of both private sector and government personnel. Other services included the design and printing of labels and brochures, scientific consulancies on food technology and processing, laboratory testing of products and consumer taste trials.

The Commission's role in encouraging NZ-Pacific Joint Ventures continued to expand. The office assisted the NZ Government with a review of previous funding mechanisms which recommended a revised scheme, the Pacific Islands Investment and Development Scheme (PIIDS). This scheme features increased resources and both an equity and training or advisory component. Partners were located under this scheme for several horticultural, fishing and food processing joint ventures.

pacific islands centre, Tokyo



Japan's Parliamentary Vice Minister for Foreign Affairs, HE Hajime Ogawa & Secretary General Hon Ieremia Tabai at the Signing Ceremony in Majuro for the Pacific Islands Centre, Tokyo on October 1996.

The Pacific Islands Centre (officially known as the South Pacific Economic Exchange Support Centre) opened in Tokyo, Japan on 1 October 1996 following an agreement between the Government of Japan and the South Pacific Forum Secretariat at Majuro in September 1996. The Centre promotes trade and investment links between Japan and Forum island countries and encourages Japanese tourism to the region.

Awareness campaigns in the media and industry are the first stage of the new Centre's activities. Working relationships have

been established with a wide range of government agencies, corporations and other relevant organisations to highlight trade and investment opportunities in the Pacific Island region.

Facilities at the Centre's information hall include publications on the South Pacific as well as a 40-inch monitor on which videos contributed by the Tourism Council of the South Pacific are shown to attract tourists. In its first six months of operation, the Centre handled several hundred enquiries and consultations, mostly from within Japan.

energy division

The Division's objective is to strengthen the capacity of Forum Island Countries to plan, manage and maintain their national energy sectors. The involvement of the South Pacific Forum Secretariat in regional energy activities began in 1981 and now covers electricity, renewable energy, energy conservation and efficiency, and energy policy and planning. Funding support for the energy programmes was provided by Australia, the European Union, France, Germany, New Zealand and the United Nations Development Programme. Energy programmes continue to be hosted at the Forum Secretariat during 1997 pending decisions to be taken later in the year concerning future funding and a new host organisation.

lome III pacific regional energy programme (PREP)

This EU-funded programme provides technical assistance and training to the eight Pacific ACP states (Fiji, Kiribati, Papua New Guinea, Samoa, Solomon Islands, Tonga, Tuvalu and Vanuatu) in four areas - policy and planning, electric power, energy conservation and technical manpower development. PREP activities reached a peak level with a budget of about F\$1.5 million for the annual work programme from October 1996 to September 1997.

Under the policy and planning component, a rural electrification seminar in Fiji showed that a careful assessment of the needs of rural beneficiaries was important and a precondition for the efficient allocation of funds. Further advice and training is required to strengthen analytical capabilities of decision makers and planners in Forum Island Countries.

A regional workshop on private sector involvement in the power industry attracted senior management from ten power utilities and potential investors. PREP will assist in designing appropriate arrangements in this area.

In the power sector, ACP power utilities confirmed their support for inter-utility cooperation and endorsed staff attachments to sister utilities as an efficient training model. Twelve training attachments were arranged and special training in the operation and maintenance of Mirreles diesel units was provided for technicians from four utilities.

A supply side management and power loss study implemented in Kiribati, Samoa and Tonga underlined the potential for improving the internal efficiency of utilities.

Activities in energy conservation included awareness programmes in Fiji and Tonga and an energy auditing programme for the private sector in Fiji, Samoa and Vanuatu. Assistance was provided to Divisional staff in demand side management and the

preparation of a solar water heater manual.

In addition PREP ran 30 training activities in Pacific ACP countries. They included nine technical training **Training & power generation.** courses on the operation and maintenance of diesel generators, two-stroke and four-stroke engines, PV/diesel hybrid systems, refrigeration and air-conditioning, and ice-making machines. Most training used local and regional trainers.

small energy projects programme

This programme provides discretionary funds to meet the project needs of member countries and support regional projects not covered by other Divisional programmes.

Projects completed during 1996/97 included one on energy awareness in Tonga; a power demand analyser project in Niue; a regional baseline study on energy efficiency labelling and standards for electrical appliances; regional solar water heater training equipment; and a wind and solar monitoring programme covering Cook Islands, Fiji, Niue, Tonga and Vanuatu.

On-going activities include an advisory booklet on solar drying; a PV water pumping system for Niue; a power demand analyser project in the Cook Islands and a PV power system for a community development institute in Kiribati.

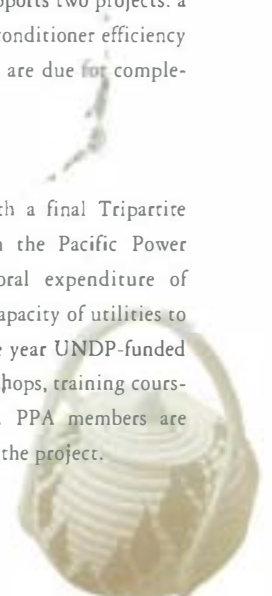
New projects included a sub-regional wind energy workshop, a dry cell battery recharging facility in Tonga, a regional wood stove project and an office grid-connected PV power system in Tuvalu.

pilot phase joint implementation (JI) programme

This programme, funded by Australia, supports two projects: a grid-connected PV system in Fiji and an air conditioner efficiency project in the Solomon Islands. The projects are due for completion in mid-1998.

UNDP power sector project

This project ended in August 1996, with a final Tripartite Review Meeting held in conjunction with the Pacific Power Association meeting in Apia, Samoa. Total expenditure of F\$997,000 was aimed at strengthening the capacity of utilities to plan and manage their operations. The three year UNDP-funded project supported a number of regional workshops, training courses, consultancies and training attachments. PPA members are seeking support from other donors to extend the project.



energy statistics

A sub-regional training workshop on the energy supply/demand database was held in the Federated States of Micronesia and a customised database installed in Palau. Assistance in maintaining country databases was provided to member countries on request. As more energy data is collected, it is likely that assistance will be needed to upgrade data analysis skills.

GTZ regional energy counselling project

This programme is aimed at strengthening the rural energy planning capacity of selected members and focused on micro hydro-power with a model scheme in Vanuatu. This project is expected to be terminated prior to construction of the hydro-power plant following consideration by GTZ of a financial re-appraisal of the project. Pre-feasibility studies for four micro hydropower schemes were completed in Vanuatu and a workshop on tendering and electro-mechanical equipment was conducted in Suva for participants from Fiji, Solomon Islands, Papua New Guinea and Vanuatu.

petroleum sector

The Petroleum Adviser worked closely with members on a range of issues associated with product pricing, safety and the environment. This included providing petroleum data and distributing oil briefs summarising recent market trends.

Advice on contract negotiations was provided to the Federated States of Micronesia, Niue, Palau, Samoa, Solomon Islands, Tonga

and Vanuatu. Advice was also provided on the rehabilitation of the oil terminal in Vava'u, Tonga and a proposal in the Federated States of Micronesia to purchase and distribute petroleum products. Two regional workshops were held on petroleum product storage and handling and product pricing. During the reporting year, this function moved to the Trade and Investment Division.

new programme development

The Danish Government agreed in principle to a proposal for a Pacific-Danish Environmental Education and Action Programme, which has a renewable energy component with a focus on wind energy. A decision on funding for Phase 1 is expected after the Danish Government considers the report on a feasibility study carried out in June 1997. AusAID conducted a feasibility study in June to identify potential renewable energy projects for isolated communities in the Pacific region. Funding proposals will be considered in 1997/98.

Lome PREP III is due to end in mid-1998 with unexpended funds expected to amount to about F\$1 million. The Division is developing a proposal for an extension of PREP for consideration by the European Union. An extension would use remaining funds primarily in power sector development and training.

Both Australia and New Zealand sought evidence of the value of the core (non-EU funded) programme before making commitments to support regional energy activities beyond 1997. New Zealand commissioned consultants to undertake an independent review and a report was due in August.



A meeting on PREP activities in Suva.

corporate services division

The Corporate Services Division is the result of combining in 1996 what were previously the Administration and Finance Divisions. The new focus for the Division is the enhancement of its customer service capabilities. The customers are primarily other Divisions of the Secretariat and the Division emphasises the provision of efficient, competitive and reliable services and advice to the Secretariat as a whole. This has been further enhanced with a major commitment to staff training, both in-house and with the assistance of external trainers.

The Division's main objectives are to provide cost-effective administrative and support systems; maintain and develop the Secretariat compound and assets; manage the financial resources of the Secretariat efficiently; provide effective and innovative information systems; and advise management on the full range of corporate issues including strategic planning, policy development and implementation. The Division played a key role in implementing the restructuring programme from late 1996 based on the recommendations of a Review of the South Pacific Forum Secretariat. It also assisted in coordinating and servicing an

increasing number of meetings hosted by the Secretariat, in preparation of a draft 1998 Corporate Plan, in completing the recabling of the Forum Secretariat computer network and created the Forum Secretariat website.

There are three sections:

Finance Services is responsible for finance and accounting services to management and for the co-ordination of work programmes administered by the Secretariat.

Office Services is responsible for personnel, payroll, protocol and conference support; property services; and the servicing of the Ryoichi Jinnai Conference Centre.

Information Services provides efficient and innovative information systems through computer networks, library services and records management.



HE Ambassador Hou Qingru of the People's Republic of China donates a high speed photocopier to the Forum Secretariat.

relations with donors

Australia and New Zealand continued to provide the bulk of funding support for the work programme activities of the Secretariat. Contributions from these two donors accounted for approximately half the total extra budgetary resources received by the Secretariat in 1996/97.

A grant of US\$600,000 (F\$889,000) was provided by the Government of Japan in 1997 in support of programmes in the areas of trade development and promotion, capacity building in development planning, human resources development, and the upgrading of the Secretariat's information system.

Funding assistance of approximately F\$1.2 million was provided by the European Union through the Lomé regional programme in 1996/97 for the South Pacific Regional Energy Programme implemented by the Secretariat. The EU also provided technical support to the Secretariat to assist the Secretary General in his role as the Regional Authorising Officer.

Canada continued to provide technical and funding support to the Secretariat in 1996/97 under the Canada South Pacific Ocean Development Programme (CSPODP) for a Regional Maritime Legal Adviser, a Gender Issues Adviser and a Small and Medium Enterprises Adviser. The Regional Maritime Legal Adviser was transferred to the South Pacific Commission together with the Maritime Programme at the beginning of 1997.

Assistance in the form of computers and reprographic equipment with a total value of approximately F\$120,000 was provided by the Government of the People's Republic of China in 1997.

The Government of the Republic of Korea provided a grant of \$70,000 for a trade mission to Korea organised by the Secretariat for a number of Forum Island Countries.

Taiwan provided total grant assistance of US\$225,000 in 1996/97 to fund secretariat projects in the area of trade and investment including a trade mission by Forum Island Countries to Taiwan; human resources development and training; and a contribution to the Smaller Island States Development Fund.

The United Kingdom provided funding assistance of F\$72,000 in 1997 to finance a number of studies on post-Lomé issues. Further assistance of approximately F\$10,000 covered the purchase of computer equipment to assist with work related to the coordination of the Lomé regional programme.

The United Nations Development Programme continued its funding assistance with about F\$400,000 to the Secretariat in 1996 for projects in Civil Aviation, Telecommunications, Law Enforcement, Trade and Investment and Energy. With the closure of the Civil Aviation and Telecommunications Divisions and the completion of the Trade and Investment project at the end of

1996, UNDP assistance for 1997 has been substantially reduced and is now focused on Energy and Law Enforcement activities.

In 1995, a Memorandum of Understanding between the Government of France and the Secretariat was signed in which

France agreed to provide funding assistance up to approximately F\$1 million to the Secretariat. Projects with a total of approximately F\$600,000 were approved for funding in 1996/97 bringing the level of funding already committed to about F\$900,000.

civil aviation, maritime and telecommunications divisions

As a result of restructuring approved by the Forum these three Divisions of the Secretariat were closed at the end of 1996. The residual workload was either transferred to another regional organisation or taken up by the Development and Economic Policy Division.

Civil Aviation Division was established in 1991 to promote self-sustaining economic growth in the civil aviation sector. Activities focused on human resources development, technical assistance and project development with a range of airport and airways projects implemented under Australian and European Commission funding. In closing the Division, members recognise the capacity of the Association of South Pacific Airlines and national organisations to provide necessary expertise and resources in technical areas, and opportunities for support by the International Civil Aviation Organisation and through bilateral assistance. The Secretariat will continue to be involved in the sector on policy level issues requiring multilateral agreements and solutions.

Maritime Division began as a separate Division in 1989 to implement the South Pacific Maritime Programme (SPMP). Legislative and training support was provided under Canadian

and New Zealand funding to strengthen national capacities for developing a safe, cost-effective and efficient maritime sector. These issues were made more important with the 1995 Amendments to the Standards of Training, Certification and Watchkeeping Convention 1978.

In the reporting year, two professional staff of the Maritime Division were transferred to the South Pacific Commission with responsibilities for implementing some continuing elements of the SPMP.

Telecommunications Division ceased operations in the reporting year following the Regional Telecommunications Committee Meeting held on 25 September 1996 in Suva. Regional coordination of telecommunications business issues is being encouraged through the Pacific Islands Telecommunications Association (PITA), which held its first General Meeting in April 1997. Liaison with the International Telecommunications Union; Asia-Pacific Telecommunity; Pacific Telecommunications Council; and APEC Telecommunications Working Group and national agencies continued in 1997 through the Development and Economic Policy Division in order to address continuing policy issues.



Air Marshall Islands



forum secretariat staff list (as at 30 June 1997)

executive division

Ieremia Tabai	Secretary General	Kiribati
Tony Slaryer	Deputy Secretary General	Australia
Iona Mitchell	Secretary to SG	Fiji
Losana Korovulavula	Personal Assistant to DSG	Fiji

development and economic policy division

Iosefa Maiava	Director	Samoa
Manase Felemi	Development Cooperation Adviser	Tonga
Gayle Nelson	Gender Issues Adviser	Canada
Julie Delforce	Economic Adviser	Australia
John Townsend	Economic Infrastructure Adviser	Australia
Peni Sikivou	Economic Policy Officer	Fiji
Amelia Kinahoi Siamomua	Donor Issues Officer	Tonga
Jone Navacakamocea	Development Planning Officer	Fiji
Margarer Wong	Divisional Assistant (Secretarial)	Fiji
Taivei Kwan	Divisional Assistant (Administrative)	Fiji
Elsie Ah Sam	Divisional Assistant (Administrative)	Fiji

political and international affairs division

Makurira Baaro	Director	Kiribati
Andie Fong Toy	Legal Adviser	New Zealand
Pius Saun	Law Enforcement Liaison Officer	Papua New Guinea
Monique Fienberg	International Issues Adviser	Australia
Ulafala Aiavao	Media Adviser	Samoa
Maira Reiher	Divisional Assistant (Secretarial)	Fiji
Unaisi Veikoso	Divisional Assistant (Publications)	Fiji

trade & investment division

Jaindra Kumar	Director	Fiji
Mike Lawrence	Petroleum Adviser (Since retired)	Australia
Roman Grynberg	Multilateral Trade Policy Adviser	Australia
Michael Mullins	Private Sector Adviser	Canada
Lalit Kumar	Project Officer (Industry & Investment)	Australia
Edgar Cocker	Project Officer (Marketing)	Tonga
Rima Ravusiro	Project Officer (Trade Development)	Papua New Guinea
Glynis Miller	Trade Commission Coordination Officer	Fiji
Adi Tikomaimaleya	Divisional Assistant (Secretarial)	Fiji
Lillian Mitchell	Divisional Assistant (Administrative)	Fiji

energy division

Richard Goldberg	Director	Australia
Solomone Fifira	Renewable Energy Adviser	Tonga
Paul Fairbairn	Energy Adviser	New Zealand
Gerhard Zieroth	Programme Manager - PREP	Germany
Suresh Raj	Training Coordinator - PREP	Fiji
John Pirie	Power Sector Adviser - PREP	Fiji
Albrecht Kaupp	Energy Conservation Adviser - PREP	Germany

