

## BRIEFING FOR A SPREP SUB-REGIONAL PRESENCE

### BACKGROUND

The 21st SPREP Meeting held in Madang, Papua New Guinea in September 2010, endorsed the concept of establishing a sub-regional presence for SPREP in the Pacific region and called for the Secretariat to investigate options. The rationale for establishing a regional presence is to further strengthen and better align SPREP member activities with the 2011 – 2015 SPREP Strategic Plan and fulfil its regional mandate which is: *“To promote cooperation in the Pacific region and to provide assistance in order to protect and improve its environment and ensure sustainable development for present and future generations”*. The 2009 Report on the Independent Corporate Review (ICR) of SPREP called on Members to consider implementing a strategy of decentralizing Secretariat activities within the region in order to improve its effectiveness at the operational level. Rather than employing the current “fly-in, fly-out” approach, the ICR called for the placement of Secretariat staff in strategic sub-regional locations which would allow for sufficient time for both Government staff in the relevant PICTs that require extensive support, and Secretariat personnel to achieve planned outcomes.<sup>1</sup>

Subsequently a report with options on an approach to a sub-regional presence was prepared by an independent consultant Mr. David Gowty and presented to the 22<sup>nd</sup> Meeting of SPREP in Apia, Samoa in 2011.

### GOWTY OPTIONS FOR A SPREP SUB-REGIONAL PRESENCE

- **Option 1: Co-location with a CROP or other agency.**

Found in Pohnpei and Palau where a number of UN agencies, such as UNDP and UNICEF share an office known as the UN Joint Presence Initiative. Another example may be found in Vanuatu where the SPC Regional Rights Resources Team (RRRT), the SPC human rights programme shared an office with the USP Faculty of Law.

- **Option 2: Single agency with a number of staff supporting various regional projects**

Example may be found in Pohnpei where SPC in 2007 established the SPC North Pacific Sub-regional Office. This office is headed by a manager and the professional staff all travel frequently to, and provide technical and other assistance to projects based in the sub-region. The office is governed by a HCA negotiated with the Government of FSM.

- **Option 3: Single agency with a number of staff dedicated to supporting national projects**

An example can be illustrated by the SPC Solomon Island National office where the office is headed by an Officer-in-Charge with specific sectoral expertise. The staff are focused on a major project or dedicated to a specific sector or sub-sector. Additionally, the staff are dedicated to capacity building counterpart staff as well as providing technical assistance in the country where they are located. The national office presence is governed by an MOU or a HCA.

<sup>1</sup> Draft Report on the Establishment of a Sub regional Presence for SPREP by Mr David Gowty, Consultant, 2011

- **Option 4: Single agency with staff dedicated to supporting a national project**

An example of this option may be found in the SPC Majuro-based Renewable Energy Project office, where the Renewable Energy Adviser is co-located with government counterpart staff within a government ministry. This arrangement usually suits a situation where a single staff person is dedicated to a specific project and works closely with national counterpart(s). The in-country presence is normally covered by an MOU or HCA.

### **SUMMARY OF GOWTY RECOMMENDATIONS**

#### **(A) Micronesia**

- 1) SPREP undertakes to establish a sub-regional presence in Micronesia as soon as possible, ensuring that a nucleus of relevant SPREP programmes are represented by either newly appointed or re-located staff.
- 2) SPREP explore with FSM and SPC the opportunity to co-locate an initial number of staff as mentioned above, to share office equipment and management costs, should the civil engineering assessment of the current SPC office building in Pohnpei prove to be structurally sound. Should the building prove to be unsound, FSM, undertake to obtain an alternative building for both SPC and SPREP that they all agree is suitable for a joint CROP agency presence.
- 3) FSM be encouraged to actively seek funding to construct the Micronesian Village to include accommodation for SPC, SPREP and other CROP agencies to operate a joint CROP agency presence.

#### **(B) Melanesia**

- 1) SPREP undertakes to establish a sub-regional presence in Melanesia as soon as possible, ensuring that a nucleus of relevant SPREP programmes are represented by either newly appointed or re-located staff.
- 2) SPREP explore with Vanuatu the opportunity to co-locate an initial number of staff as mentioned above, to share office equipment and management costs with SPC to create a 'one stop joint CROP agency presence', once the renovations to the house allocated to SPC is completed. Should this arrangement fall through, and if the MSG Secretariat is willing, SPREP should negotiate with the MSG Secretariat to co-locate with them. If this arrangement is not acceptable, then a fall back position for SPREP would be to explore the option to co-locate with the VMS.

### **MEETING RESPONSE TO GOWTY RECOMMENDATIONS**

The report was duly noted by Members as being exploratory but required further financial and risk analysis with which to guide their respective decision making process. Members in essence requested more on the budget implications to establishing such arrangements including whether the models proposed would be sustainable and serve the best interests of members as well as the SPREP Mandate. Concern was raised on how these options would enhance project delivery and effectiveness and whether this would impact on Member contributions. Members advised that further exploration of the issue and of possible options would be necessary before any decision was possible. The key issues raised by members were effectiveness, efficiency, affordability and added value.

Following the direction of the 22<sup>nd</sup> Meeting, the following broad approaches were identified as requiring further evaluation:

- *Establishing of sub-regional offices, including co-location with other CROP Agencies;*
- *Periodic sub-regional forums;*
- *Project-based regional presence;*
- *Country desk officers based at SPREP Headquarters; and*
- *Placement of SPREP staff in line agencies in-country.*

#### **TERMS OF REFERENCE FOR COST BENEFIT ANALYSIS FOR A SPREP SUB-REGIONAL PRESENCE**

The Meeting tasked the Secretariat to bring forward a Paper on '**Strengthening Regional Linkages**' to the 23rd SPREP Meeting, which will present a detailed evaluation of options and seek endorsement on a programme of action. The meeting identified the following as critical elements in moving forward:

- *A formal consultation with all Members prior to SPREP's 2012 Meeting;*
- *Specific Proposals, along with the rationale for support, linked to the efficient and effective delivery of programs and strategic plan priorities;*
- *A small number of illustrative case studies of successful regional presences;*
- *Identification of the Pacific Island Countries that would be the focus for improving regional linkages, including specific programmes and projects requiring on-ground support;*
- *Robust assessment of the costs and benefits of the proposals;*
- *Identification of the implications of proposals particularly on delivery of services and advice into the future, including the financial impact on the core budget; and*
- *Identification of any factors, including external factors, likely to significantly impact on SPREP's delivery of services and advice over the term of the Strategic Plan.*

Accordingly, KVAConsult Ltd<sup>2</sup> shall build on the general findings of the initial 2011 Gowty study and examine the cost implications of each option and benefits in light of the SPREP Strategic Plan 2011-2015.

The new study shall identify other options for a sub-regional presence where appropriate and provide a cost-benefit analysis of those options including other options outside the Gowty Study e.g. the PIFS Smaller Island State (SIS) model. The new report will identify the potential costs to SPREP in establishing a sub-regional presence along with the benefits in terms of better delivery of existing and future programmes in line with the SPREP Strategic Plan 2011-2015. This exercise and costs benefit analysis will include, but not necessarily be limited to:

- *Establishment costs;*
- *Taxation and other fiscal implications;*
- *Location;*
- *Staffing costs (inc. insurance, healthcare provision, costs of living including relocation costs);*
- *Comparison of costs with SPREP's current work operating from its base in Apia;*
- *Overheads ;*
- *Availability and quality of infrastructure (e.g. internet, telephony); and*
- *Consideration of alternatives, such as secondments to other CROP Agencies.*

<sup>2</sup> Awarded contract from SPREP Public Tender in June 2012

The new study will give **clear and quantifiable** recommendations on the benefits of establishing a sub-regional presence which take account of the potential risks to the organisation and its employees. The final report will assist Members in reaching a decision regarding the most cost effective means of establishing a sub-regional presence for SPREP and will analyse the benefits of such a move to furthering the objectives outlined in the SPREP Strategic Plan 2011-2015.

### SPREP Strategic Plan 2011-2015

As outlined in the Terms of Reference *“Strengthening Regional Linkages”* is a focal point for *“Implementation and Monitoring”* of the SPREP Strategic Plan 2011-2015 to ensure the Secretariat’s effective engagement with *“Members in SPREP activities: periodic sub-regional forums, to seek input on emerging regional issues and to ensure that Members’ priorities and needs are understood and incorporated into multi-country regional programmes”*.

It is understood from the Strategic Plan that the agreed priority areas are:

- Climate Change;
- Biodiversity and Ecosystem Management;
- Waste Management and Pollution Control; and
- Environmental Monitoring and Governance.

Furthermore the core business of SPREP is: *“The minimum set of capabilities SPREP must provide to Members on a regional basis, in accordance with its mandate as the regional environment organisation, which SPREP is best placed to deliver, and which should be funded through Members’ assessed and voluntary contributions”*.

The Strategic Plan also identifies the following challenges for the work and scope of SPREP:

- *needs to increase its delivery of national-level activities;*
- *needs to continue to work at the regional level but also ensure that this is clearly where SPREP can add value;*
- *needs to increase its attention on waste management and pollution, while continuing to focus on the core areas of climate change and biodiversity; and*
- *Secretariat needs to increase its practical engagement with Members.*

Given the strategic priorities identified, definition of core business and challenges required of better engagement by SPREP for *“Strengthening Regional Linkages”* the issue of cost effectiveness and synergy of resources for ensuring a sustainable mechanism of sub-regional presence is tantamount. Feedback gathered in the development of the SPREP Strategic Plan consultation process which remains pertinent to the new study:

- SPREP needs to increase its delivery of national-level activities;
- SPREP needs to continue to work at the regional level but also ensure that this is clearly where SPREP can add value;
- SPREP needs to increase its attention on waste management and pollution, while continuing to focus on the core areas of climate change and biodiversity; and the
- Secretariat needs to increase its practical engagement with Members.