

**Independent Corporate Review of SPREP and Mid-Term Review of the SPREP Strategic Plan**

**Review Team Responses to Comments provided by the Secretariat on 13 September 2021**

**17 September 2021**

Part A & Part E / Section 4.1 – Recommendations in Consultancy Draft Report Dated 30 August, 2021	Secretariat Comments (received 13 September 2021) to Recommendations in Consultancy Draft Report Dated 30 August, 2021	Response from Independent Review Team, 13/9/21-16/9/21
<p><b>Recommendation 1:</b></p> <p>The SPREP Meeting consider that the Secretariat develop a comprehensive response plan to the COVID-19 pandemic based on an assessment of likely scenarios for the remaining five years of implementation of the Strategic Plan. The response plan should include a review of the viability of new modalities that are proving effective and confirm their integration into the current and future Performance Implementation Plans (PIPs) and underlying workplans.</p>	<p>The Secretariat as a regional organisation has responded to the impacts of the CV-19 pandemic by establishing an Emergency Response Team who developed an Emergency Response and Contingency Plan to guide the work of the Secretariat. In particular, the Secretary responded by:</p> <ol style="list-style-type: none"> <li>1. Following SOE directives in countries where the Secretariat staff are based. In Samoa, HQ staff were home-based from end-March to end-May. In Fiji, Vanuatu and RMI where project and regional office staff are located, staff followed national directives.</li> <li>2. In June Apia-based staff returned to working in the office. Some staff were permitted to return to their home countries prior to border closures but most have now returned to Apia while two have been unable to do so because of continuing travel restrictions.</li> <li>3. Travel restrictions and border closures have had a major impact on SPREP’s normal modalities for delivering support to Pacific island countries and territories.</li> </ol> <p>This situation has been addressed as much as possible by refocussing service delivery through virtual and remote mechanisms and by:</p>	<p>The Secretariat’s thorough and innovative operational response to the COVID-19 pandemic as described in this table under “Secretariat Comments to Recommendations in Consultancy Draft Report Dated 30 August 2021” is already documented in Sections B2.4.1 and C6.1 of the report.</p> <p>As detailed in the report, feedback from Members and partners in relation to the Secretariat’s management response to the pandemic has been positive.</p> <p>However, as the report explains, a number of Members and partners have commented that, now that it is clear that the Pandemic is likely to continue to impact on the region’s operating environment and sustainable development agenda for the foreseeable future, a more comprehensive long-term plan in response to the strategic and operational implications of the pandemic is required. We have edited the wording of Section C6.1 to further emphasise this point as follows:</p> <p><u>“...Members and partners have commented that the current documented management response does not comprehensively demonstrate how the Strategic Plan will be implemented if the pandemic-related disruptions continue and/or worsen over the next five years. It may well be the case that SPREP Leadership have planned accordingly but this plan has yet to be documented and shared with SPREP Members and partners.</u>”</p>

	<ol style="list-style-type: none"> <li>1. working with donors and implementing partners to secure extended time frames for delivery of projects and programmes, resulting in the granting of no-cost extensions for implementation of activities</li> <li>2. investing in the technology required to enable virtual interactions to continue on an ongoing basis during and after the pandemic.</li> <li>3. refocusing emphasis on where the Secretariat had technical and project management staff on the ground and/or where the Secretariat was able to engage local consultants to continue to develop and implement activities with national stakeholders on a daily basis.</li> </ol> <p>The Secretariat has realigned the 2020 Work Programme and Budget and implemented different types of work modalities including Remote and Flexible Work arrangements as real issues for the future.</p>	<p>We have added the SPREP Coronavirus – Emergency Response and Contingency Plan (Approved March 2020_Updated July 2021) in the report Annex (Volume 2) and referred to it in Section B2.4.1. This plan documents an appropriate emergency response approach focussing on staff health and safety, the Secretariat’s duty of care as an employer and maintaining operations and service delivery to the extent possible in the immediate term.</p>
<p><b>Recommendation 2:</b></p> <p>The SPREP Meeting consider requiring that the Secretariat Leadership Team undertake a programme integration initiative in consultation with the Regional Programme Directors and other Secretariat staff as necessary. The initiative could be captured under the planned activities for Outcome Indicator 2.1.3 in</p>	<p>The Secretariat notes <b>Recommendation 2.</b></p> <p>The report lacks the assessment, analysis and validation of the following in the discussions:</p> <ol style="list-style-type: none"> <li>1. The Noumea/SPREP Convention applies to all Regional Goals not just RG2</li> <li>2. Re "Framework for Nature Conservation, and Protected Areas in the Pacific Islands Region. The latter is currently under review and a new text for the period 2021-2025 is being developed." This was completed in 2020 at the 10th Conference and was endorsed at the SM30.</li> </ol>	<p>Comments 1 to 3 are responding to a direct quote from the Strategic Plan.</p> <p>We have edited the list in Section B2.2 to reflect Comments 1 to 4.</p> <p>5. The implication that MEA engagements are not already "accommodated within SPREP’s work programme and budget" was unintentional. The point being made is that these engagements and their associated workload are likely to grow in coming years. We have rephased the concluding statement as follows:          “This global dimension to SPREP’s work, as documented in the work programme and budget, is</p>

<p>PIP 3 (2022-2023). It would begin with an inclusive internal consultation process to identify opportunities to bring greater integration in planning, delivering and reporting on SPREP's work at all levels. The result of the consultation process would be a detailed Programme Integration Plan that includes time-bound actions and resourcing commitments.</p>	<ol style="list-style-type: none"> <li>3. Description of RG4 is inadequate. It addresses more than MEAs, and MEAs are addressed in all RGs</li> <li>4. Omits reference to the Convention on Biological Diversity (CBD)</li> <li>5. MEA engagements are already "accommodated within SPREP's work programme and budget"</li> <li>6. Conclusion: while global and region reports on the state of the environment and sustainable development describe commendable progress and achievements, the bigger picture is clear: the current approach being taken by SPREP and its partners is not making adequate progress. This environmental crisis requires a drastic change in approach by all, including SPREP. Elaborate on the reference to 'current approach' and note that 'SPREP' in this context must collectively refer to member countries and territories as well as the Secretariat, and that fundamentally responsibility for positive change lies with action by members.</li> <li>7. The Secretariat established strategic linking mechanisms to ensure programme integration approved by the SPREP Meeting in 2017 to come into effect in 1 January 2018 and these are operational.. These include the: Ocean Coordination Group (also known as the Blue Team), Climate Change Coordination Committee (4Cs), Communications and Advocacy Group, Country and Territory Strategic Partnership Frameworks Taskforce, Environment Monitoring and Reporting Coordination Group (EMCRG),</li> </ol>	<p>likely to grow and will continue to include coordination, facilitation and reporting roles in support of Island Member delegations participating in international fora."</p> <p>6. To accommodate these requested clarifications, we have rephased the concluding statement as follows: "while global and regional reports on the state of the environment and sustainable development describe commendable progress and achievements, the bigger picture is clear: the current approach being taken by SPREP in collaboration with its partners to implement the Vision and Regional Goals of the Strategic Plan is not making adequate progress. This environmental crisis requires a drastic change in approach by all, including SPREP (Secretariat and Members)".</p> <p>7. Additional detail about the strategic linking mechanisms to promote programme integration has been added into Section C2.2.4.</p>
---	--	---

	<p>Green Committee, Partnerships Resourcing Reference Group (PRRG), Project Review Monitoring Group (PRMG), Staff Advisory Committee, Gender Equality and Inclusive Mainstreaming (GEIM), PCCC Working Group, EBA Coordination Group, and ACP MEA-3 Coordination Group. All of these working groups have an approved Terms of Reference and work programme. Membership is across the Secretariat.</p>	
<p><b>Recommendation 3:</b></p> <p>The SPREP Meeting consider requiring that the Secretariat, using the Partnership Engagement and Resource Mobilisation Strategy (PERMS) and current Partnership Agreements as a foundation, further develop and strengthen its partnerships with CROP organisations including through established CROP mechanisms at the Deputy Director Level.</p>	<ol style="list-style-type: none"> <li>1. The Secretariat is engaged in key CROP working groups and taskforces relevant to the mandate and work of SPREP. These groups include: CROP Heads, CROP Deputies, One CROP Plus for the UNFCCC climate negotiations, Pacific Sustainable Development Working Group (PSDWG), Gender Coordination Mechanism, ICT Working Group (ICTWG), Corporate Directors Working Group, Marine Sector Working Group, Communications Working Group, CROP Taskforce on Nuclear Legacy Issues in the Pacific, CROP Taskforce for the 2050 Strategy for the Blue Pacific Continent, CROP Taskforce on International Engagement and Advocacy for Ocean Events in 2020 – 2021, and Framework for Resilient Development in the Pacific Taskforce and part of the core support unit.</li> <li>2. As with the climate negotiations through the One CROP Plus, the Secretariat also works with the Office of the Pacific Ocean Commissioner (OPOC) providing technical advice to support Pacific Small Island Developing States (PSIDS) in the BBNJ negotiations.</li> <li>3. SPREP has MoUs with SPC, USP, SPTO and PIFS, the latter on relevant projects including the</li> </ol>	<ol style="list-style-type: none"> <li>1. Further detail added to C5.2.1.</li> <li>2. Further detail added to B2.3.2</li> <li>3. Further detail added to C5.2.1.</li> </ol>

	SIS Secondments to SPREP and Republic of Korea Pacific Islands Climate Prediction Services Project 2 (ROK-PI CLIPS-2).	
<p><b>Recommendation 4:</b></p> <p>In the light of comments received during this Review, the SPREP Meeting may wish to revisit the proposal that the PCCC function independently of the SPREP work programme through a Chair and Governance Board.</p>	<p>The Secretariat notes that the discussions leading to <b>Recommendation 4</b> are factually incorrect and that the report lacks the substantive analysis and validation of the references to claims and concerns:</p> <ol style="list-style-type: none"> <li>1. That the PCCC should operate independently of the Secretariat Work Programme through a Chair and Governance Board.</li> <li>2. That the governance of the PCCC has shifted from the original concept</li> <li>3. Whether the role and functions of the PCCC as a mechanism for regional partnership and collaboration is being properly implemented, and</li> <li>4. Whether the PCCC is effectively functioning as an integrated regional organisation</li> </ol> <p>Members of the original governance structure decided on the Board of Advisors governance structure as an appropriate reflection of the core functions of the Board.</p> <p>The Board subsequently added two new members to represent the FRDP Taskforce and the Pacific Meteorological Council representation.</p>	<p>We have added more detail to Sections C5.2.2 and C6.3.2 of the Report from the PCCC Strategy and Business Plan and other SPREP Documents about:</p> <ul style="list-style-type: none"> <li>• the excellent progress that has been achieved by the Centre over the last two years.</li> <li>• the current governance arrangements.</li> <li>• the specific comments that were made by Members and partners through the consultation process in relation to their concerns about the role, function and governance of the PCCC.</li> </ul> <p>Based on the concerns that have been explicitly raised by Members and partners, our recommendation remains that: “In the light of comments received during this Review, the SPREP Meeting may wish to revisit the proposal that the PCCC function independently of the SPREP work programme through a Chair and Governance Board”.</p>
<p><b>Recommendation 5:</b></p> <p>The SPREP Island Members reconfirm their commitment to the development of <b>Country and Territory Strategic</b></p>	<p>The Secretariat notes <b>Recommendation 5</b> where work has commenced on the Country and Territory Strategic Partnership Frameworks through bilateral discussions with the Republic of Marshall Islands and Solomon Islands. Planned discussions with Samoa, Vanuatu, and Palau.</p>	<p>This information is already included in Section C2.3.</p>

<p><b>Partnership Frameworks</b> in collaboration with the SPREP Secretariat following the process that was endorsed at the 2020 Executive Board meeting. That the frameworks include a mutual bi-annual progress reporting requirement. That the Frameworks are developed and under implementation with all Island Members by the next SPREP Meeting.</p>		
<p><b>Recommendation 6:</b>  The SPREP Meeting support the Secretariat to continue to explore and advance cost-effective opportunities to expand its subregional presence in the form of in-country SPREP representatives in all Island Member locations.</p>	<p>The Secretariat agrees with <b>Recommendation 6.</b></p>	<p>Noted.</p>
<p><b>Recommendation 7:</b>  The SPREP Meeting consider requiring the Secretariat to develop a Communications Plan to focus, standardise and coordinate the Secretariat's communications and advocacy outreach at all</p>	<ol style="list-style-type: none"> <li>1. The Secretariat recognises the need for better resourcing of the Comms Team in terms of its structure.</li> <li>2. A Communications Strategy is already in place to coordinate the Secretariat's work across the organisation this includes the SPREP: Communications Pathway Plan and Whole of SPREP and Pacific Communications Pathway.</li> </ol>	<ol style="list-style-type: none"> <li>1. Noted.</li> <li>2. This document was not referenced or included amongst the &gt;1000 documents provided in response to our request for information including in the list of "relevant SPREP Corporate Documents" (deadline 16 June). As our contract stated, the project timeline was contingent on the Secretariat providing the information agreed in the inception meeting and listed in the RFI by the agreed deadline (16 June). As the first row of</li> </ol>

<p>levels. This would include appropriately resourcing the Communications and Outreach Unit to develop and deliver this plan with the support and engagement of staff across the Programmes and Departments of the Secretariat.</p>	<p>As noted above there is a coordinating Communications and Advocacy Group that is in place working with the Comms team from across the Secretariat.</p>	<p>the RFI table states “It is not part of our remit to work out what is missing from this list. The responsibility rests with the SPREP Secretariat to confirm that we have the complete set of relevant documentation/information that should inform this review”.</p> <p>Notably, this document is also not mentioned in the PIP Reporting (2018-2019 and 2020-2021) in relation to Organisational Objective 1.2 “Influence positive behaviour change within SPREP and its stakeholders through persuasive, purposeful, and integrated communications.”</p> <p>During the consultation process with Secretariat staff, we were made aware of the following additional, relevant documents:</p> <p>(i) A 4-page document titled: <i>SPREP: Cohesive communications pathway Processes for working with the Communications and Outreach Unit for cohesive communications from SPREP</i> This is an excellent procedural/guidance document on how SPREP Staff should coordinate their communications work with the Communications and Outreach (CaO) Unit.</p> <p>(ii) A 3-page document titled: <i>Whole of SPREP and Pacific Communications Pathway for 2021</i> This is an excellent one-year plan and guide, however we could not ascertain the approval or implementation status of this plan.</p> <p>(iii) An 8-page document titled: <i>The Plan – new content detail</i></p>
---	---	---

		<p><i>A working plan to be updated by Comms and Outreach for SPREP only. This document includes the following note: Please note the SPREP Comms and Outreach Unit are reviewing what is feasibly doable, where actions are out of SPREP’s capability, they will be removed.</i></p> <p>The Review Team is not aware of the approval or implementation status of this plan.</p> <p>These documents provide an excellent foundation to build from but do not constitute a “Communications Plan to focus, standardise and coordinate the Secretariat’s communications and advocacy outreach at all levels”.</p>
<p><b>Recommendation 8:</b></p> <p>The SPREP Meeting consider requiring that:</p> <p>(a) the SPREP Senior Leadership reinforce their commitment to the implementation of the SPREP Gender Policy, with one member of the Executive team identified as a Gender Champion to lead on its implementation;</p> <p>(b) the work of the Gender Equity and Inclusion Mainstreaming Working Group be elevated to ensure it translates into the Secretariat’s management</p>	<ol style="list-style-type: none"> <li>1. The Secretariat notes <b>Recommendation 8</b> in particular the updates under Part (c).</li> <li>2. The Secretariat established the Gender Equality and Inclusive Mainstreaming Group with a terms of reference in October 2020 to address the Secretariat's commitment to gender and inclusive mainstreaming issues.</li> <li>3. The gender champion has already been identified and SLT will consider Part (a).</li> <li>4. Gender mainstreaming is incorporated into SPREP's programmes and projects and have been reported to the SPREP Meeting &amp; Executive Board through the PIP process.</li> <li>5. Embedded gender perspectives across outcomes in the People Strategy.</li> <li>3. With respect to Part (c ) this in the Secretariat’s work programme for the 4<sup>th</sup> quarter of 2021.</li> </ol>	<ol style="list-style-type: none"> <li>1. Noted.</li> <li>2. This is well-documented throughout the report including in Sections C3.4 and D3.4.</li> <li>3. Noted.</li> <li>4. and 5. Please refer to Sections C3.4 and D3.4.</li> <li>6. Noted.</li> </ol> <p>The Review Team has updated Recommendation 8 to also include a reference to policies on sexual harassment and family violence. This recommendation now reads as follows:</p> <p><b>Recommendation 8: The SPREP Meeting consider requiring that: (i) the SPREP Senior Leadership reinforce their commitment to the implementation of the SPREP Gender Policy, with one member of the Executive team identified as a Gender Champion to lead on its implementation; (ii) the</b></p>

<p>and decision-making systems and processes; and</p> <p>(c) the Secretariat update the SPREP Gender Policy (2016) to reflect developments in GESI theory and practice in the Pacific Region.</p> <p>These updates would include:</p> <ul style="list-style-type: none"> <li>▪ The recognition of the intersectionality of women and girls lives and other marginalised diverse groups including LGBTQI and people living with disabilities.</li> <li>▪ A commitment to train SPREP staff to enable them to effectively deliver all relevant aspects of the Gender Policy through their work with Island Members.</li> <li>▪ A systematic approach to planning, monitoring, evaluation and</li> </ul>		<p><b>work of the Gender Equity and Inclusion Mainstreaming Working Group be elevated to ensure it translates into the Secretariat’s management and decision-making systems and processes; and (iii) the Secretariat update the SPREP Gender Policy (2016) to reflect developments in GESI theory and practice in the Pacific Region. These updates would include:</b></p> <ul style="list-style-type: none"> <li>• The recognition of the intersectionality of women and girls lives and other marginalised diverse groups including LGBTQI and people living with disabilities.</li> <li>• <b>Specific policies in relation to responding to sexual harassment and family violence.</b></li> <li>• A commitment to train SPREP staff to enable them to effectively deliver all relevant aspects of the Gender Policy through their work with Island Members.</li> <li>• A systematic approach to planning, monitoring, evaluation and reporting on SPREP’s GESI work through programmes and projects.</li> </ul>
---	--	--

<p>reporting on SPREP's GESI work through programmes and projects.</p>		
<p><b>Recommendation 9:</b></p> <p>The SPREP Meeting consider advising the Secretariat to prioritise fully establishing and implementing the Results Planning, Performance Reporting and Learning Framework as described in the Strategic Plan, particularly the “learning and continuous improvement” component, with a focus on the identification of “strategies and modalities that are most effective in supporting environmental sustainability .”</p>	<p>The Secretariat requests that all reference to the Strategic Plan reference the relevant years of 2017-2026.</p> <p><b>6. Recommendation 9</b> is unclear, please refer to the PIP that addresses this issue.</p>	<p>We have edited the report to ensure that references to the Strategic Plan reference the relevant years of 2017-2026 where appropriate, in some cases this is repetitive and/or unnecessary (subheadings). The text of Recommendation 9 has been amended accordingly and reads as follows:</p> <p><b>Recommendation 9: The SPREP Meeting consider advising the Secretariat to prioritise fully establishing and implementing the Results Planning, Performance Reporting and Learning Framework as described in the Strategic Plan 2017-2026, particularly the “learning and continuous improvement” component, with a focus on the identification of “strategies and modalities that are most effective in supporting environmental sustainability.”</b></p> <p>Recommendation 9 stems from detailed reference to the PIPs, Results Framework and Strategic Plan. It has been reviewed and interrogated by:</p> <ul style="list-style-type: none"> <li>• The whole project team of 9 through a remote workshop.</li> <li>• Two of the project's Technical Leads through reviews of the draft report (William Kostka, and Teresa Manarangi-Trott), and</li> <li>• Approved by the Project Manager (Nicola Thomson) and Project Director (Russell Howorth).</li> </ul>

<p><b>Recommendation 10:</b></p> <p>The SPREP Meeting consider:</p> <ol style="list-style-type: none"> <li>1. reconfiguring the Executive Board as a permanent Board to oversee SPREP between SPREP meetings with virtual meetings (convened for up to a half-day) three times a year;</li> <li>2. establishing a remunerated part-time position of Board Chair who must have ample experience in senior roles and be of a different nationality than the DG or DDG and appointed on merit for one term of 4 years after which it must rotate to another SPREP Member; and</li> <li>3. discontinuing the Troika and folding its functions into the Executive Board.</li> </ol>	<p><b>Recommendation 10</b> significantly changes the governance structure of SPREP.</p> <p>The report lacks justification, substantive analysis and validation of <b>Recommendation 10</b> in particular:</p> <ol style="list-style-type: none"> <li>1) the substantive analysis of the current situation including the SWOT</li> <li>2) the advantages and disadvantages of the two including the gaps analysis</li> <li>3) other options that could be explored</li> <li>4) the diminished role of the DG and the SPREP Meeting and duplications with the proposed Chairperson role regarding efficiency gains</li> <li>5) the Terms of Reference with proposed remuneration</li> <li>6) the funding strategy for the position</li> </ol> <p>The Secretariat notes the reference to nationality and that the report lacks the analysis and validation of this reference in <b>Recommendation 10</b>. SPREP currently adopts an inclusive and representative approach which allows for every member to Chair the SPREP Meeting and the Executive Board.</p> <p>The DG reports directly to the SPREP Meeting not an independent chair.</p>	<p>The context and rationale relating to Recommendation 10 is explored in detail in Section D1.3 of the Report; including observations around the limitations of the current governance mechanisms, and noting that the additional value of the Executive Board in supporting the Secretariat. Recommendation 10 does not change the current governance structure which, by the SPREP Agreement, has two organs: the Members and the Secretariat. This recommendation seeks to build on the existing Executive Board structure to facilitate a more frequent and responsive interaction between the two organs. Recommendation 10 would NOT see the role of the Director General diminished in any way. The role of the Director General, on the contrary, would be strengthened by having a regular, direct and consultative line of communication responding to both challenges and opportunities, growing the visibility and value of SPREP at all levels within the region and beyond. Further it will provide the Director General with more opportunities to have direct engagement with a larger number of member country representatives.</p> <p>The reference to nationality is simply to ensure that at all times there is maximum representation of Members participation in the three most senior decision-making roles.</p> <p>This Recommendation is based on a thorough analysis of the relevant documentation and Member feedback and the Review Team does not consider SWOT analysis a relevant approach to assess the efficacy of governance arrangements. Furthermore, the expectation that the recommendation would be costed with an associated funding strategy is beyond the</p>
--	---	---

		<p>scope of the Review's Terms of Reference (refer Annex 1, Volume 2 of the report).</p> <p>The merits of appointing an Independent Chair are fully explained in Part D Section 1.3.4</p> <p>For the sake of clarity, Recommendation 10 (ii) has had a single word insertion as follows:</p> <p><b>(ii) establishing a remunerated part-time position of Independent Board Chair who must have ample experience in senior roles and be of a different nationality than the DG or DDG and appointed on merit for one term of 4 years after which it must rotate to another SPREP Member;</b></p>
<p><b>Recommendation 11:</b></p> <p>That the SPREP Meeting consider requiring the Secretariat to strengthen the Internal Auditor function by:</p> <p><b>(i)</b> changing the reporting lines of the Internal Auditor to the Chair of the Board through the Chair of the Audit Committee;</p> <p><b>(ii)</b> Adding additional external resources to assist the Internal Auditor to perform the assurance function; and</p>	<ol style="list-style-type: none"> <li>1. The report lacks the substantive analysis in the discussion that has led to Recommendation 11 including the SWOT analysis of work that is expected of the Internal Auditor that the review has determined has not been achieved and reported.</li> <li>2. The report lacks substantive analysis and validation of the Risk Management Policy and process that has led to the discussions under 1.3.5 leading to this recommendation. The allegation that the Risk Committee is moribund is a serious one and the Secretariat requests validation otherwise, this has no room in the report.</li> <li>3. The Risk Committee has an established TOR that sets its work. The Policy has been developed and the Manual has been updated.</li> </ol>	<p>The context and rationale relating to Recommendation 11 is outlined in Part D Section 1.3.5 of the Report. This section clearly states that “the Review Team was satisfied with the Audit committee’s approach to its functions as outlined by the independent chair particularly on financial management”.</p> <p>The purpose of Recommendation 11 is to improve, further develop and strengthen existing processes in regard to audit. Based on the assessment presented in Section D1.3.5 of the Report, there are some areas for improvement and strengthening such as: reporting; defining the role of the internal auditor; and, risk management.</p> <p>The Review Team does not anticipate that any type of SWOT analysis on the work of the Internal Auditor would render any further value to the Report.</p>

<p>(iii) Ensuring that the internal auditor's current role as an internal controller with internal sign off responsibilities should cease and revert to an assurance process based on review of processes.</p>	<p>4. Under the ToR of the IA the position reports to the Chair of the Audit Committee and only reports to the DG on operational matters.</p>	<p>We note the reference to the Risk Committee TOR and Manual as mentioned in the "Secretariat Comments to Recommendations in Consultancy Draft Report Dated 30 August 2021". These procedural processes are in place, but the assessment relates more to the low level of content in the Risk Register. The Review Team accepts that the reference to the 'moribund' nature of the Risk Committee is strong and have modified accordingly in the report.</p> <p>Further detail has been included in this section to clarify the role of the internal auditor, which should focus on purely on assurance of systems based on review of processes; the internal auditor should not be providing additional internal control support. Furthermore, good governance practice provides a case for some of the internal audit work to be undertaken by external accountants. This would free up time for the internal auditor to focus on more strategic risk issues rather than low level compliance checks. The Review Team has amended Recommendation 11 suggesting also that the Internal Auditor takes on the functions of a 'Risk Manager'. This would include: taking on responsibility for monitoring and advising on project risks; and, ensuring that all project risks are identified, costed and managed at all stages of the project cycle for review by the Audit and Risk Management Committee. Recommendation 11 now reads as follows:</p> <p><b>Recommendation 11: That the SPREP Meeting consider requiring the Secretariat to: (i) strengthen the Internal Auditor function by: (i) changing the reporting lines of the Internal Auditor to the Chair of the Board through the Chair of the</b></p>
--	---	---

		<p><b>Audit Committee; (ii) Adding additional external resources to assist the Internal Auditor and Risk Manager to perform the assurance function; and, (iii) Ensuring that the internal auditor’s current role as an internal controller with internal sign off responsibilities should cease and revert to an assurance process based on review of processes.</b></p>
<p><b>Recommendation 12:</b></p> <p>That the SPREP Meeting consider requiring the Secretariat transfers the primary responsibility for overseeing its major projects to a new and separate Technical Cooperation and Projects Programme with its own Director. This Programme would have its own income and cost centres that are separate from those associated with advisory services work. The Programme would manage and coordinate major projects through an “internal contract” basis with other SPREP Programmes and Departments wherein they negotiate and agree the time provided by their experts to each project</p>	<p>The report lacks the substantive analysis and validation of the discussion that has led to <b>Recommendation 12</b> particularly:</p> <ol style="list-style-type: none"> <li>1. A SWOT and the gaps identified, and how these gaps are perceived to be bridged through the proposed one.</li> <li>2. How it is proposing to separate 'advisory' from 'projects' that have been designed by the advisers and how it will strengthen programme integration - this seems contradictory. This proposal will force greater separation between strategic foci and is expected to create a separate 'super programme' given the increasing large projects - current and in the pipeline.</li> </ol> <p>The report lacks substantive analysis and validation of the following and the Secretariat confirms:</p> <ol style="list-style-type: none"> <li>1. There are no two business models. There is only one business model that encompasses the policy and technical advice, which informs implementation on the ground (projects). These are not separate they are part and parcel, one informs the other. The fundamental role of projects in supporting the delivery of regional and national priorities is missing in this statement.</li> </ol>	<p>The context and rationale relating to Recommendation 12 is outlined in detail in Sections D1.1, D1.2 and D1.4 of the Report.</p> <p>Recommendation 12 responds to the multiple concerns raised by Members that the blended approach to project delivery and advisory services to Members impacts on the availability of staff to provide the advisory and technical support that Members need. This is not a critique of the staff, more of the consequences of the current structure. The analysis in the report on business models illustrates how for ‘project delivery’ and ‘advisory services’ there are different beneficiaries, different means of delivering services, different value propositions, different resources, and different underlying financial models. This has manifested itself by the fact that staff are often trying to deliver both general advisory services and projects, and that the current funding model tends to direct staff more towards project delivery. Furthermore, it is apparent that each SPREP team appears to have its own approach to common tasks, with project management being delivered differently and inconsistently across the organisation. This lack of specialisation results in rework and reinvention of systems that are actually required across the organisation and should be more efficiently provided. It</p>

<p>(also see associated <b>Recommendations 31 and 32</b>). This Programme would also have responsibility for negotiating and securing new project funding</p>	<p>Projects have limited duration which includes funding and staffing that come with it.</p> <ol style="list-style-type: none"> <li>2. The core services of SPREP remains and will continue. Projects also follow SPREP corporate processes and systems and are integrated into the WP&amp;B.</li> <li>3. The functions of the PRMG includes oversight of implementation of projects and it facilitates coordination and integration across projects as well.</li> </ol> <p>This proposed model contradicts other recommendations of the report for example on the 'silo' issue as well as sustainability issue etc. It also contradicts another recommendation to have 4-6 staff per manager. Purchasing services from advisors will not apply to all projects due to donor restrictions on payment for SPREP staff time for staff not directly appointed to projects.</p>	<p>also prevents a systematic and efficient approach to quality assurance across projects and across the organisation.</p> <p>The proposed solution would ensure that there are staff dedicated to providing the requisite technical support to Members with a central point of accountability that is managing this service delivery; as well as a dedicated unit to manage the project delivery in a consistent and coordinated fashion. As all projects would be managed from this dedicated Technical Cooperation and Projects Programme, this would facilitate identification of opportunities for project and programme integration through project design and delivery. This recommendation is seeking to bring greater integration across SPREP programming, ensure some consistency in project management, and free up advisors to focus more on providing technical support to Members. As outlined in the Report, it is anticipated that projects would be designed and delivered in close cooperation with advisors and include a robust and detailed risk assessment that is fully costed at every stage of the project cycle.</p> <p>The need for a more systematic and efficient approach to quality assurance across projects and across the organisation is also addressed in Recommendation 20, which suggests the Secretariat adopt a single and standardised project methodology.</p> <p>Recommendations 29 and 32 address the underlying funding structures proposed as a means to address current issues relating to CORE funding (that enables delivery of advisory services) and the sustainability of funding. Section 4.1 and 4.2 provides further detail</p>
---	---	---

		with regard to the proposed approach to Sustainable Funding that has been adopted by other CROP agencies such as FFA, SPC and PIFS.
<p><b>Recommendation 13:</b></p> <p>That the SPREP Meeting consider requiring the Secretariat restructure the corporate services departments into a single business unit called Business Support Unit reporting to a Chief Operating Officer or General Manager Business Support. This Unit would focus on internal administrative and business support functions.</p>	<p>The report lacks substantive analysis and validation of the discussions in the report that has led to <b>Recommendation 13</b> including:</p> <ol style="list-style-type: none"> <li>1. The SWOT that should highlight what the current structure has done well, what has not worked and gaps identified including any bottlenecks and inefficiencies addressed through the current structure.</li> <li>2. How the Secretariat has progressed over the years, from the Business Support Unit, to a Corporate Services to the current. The Secretariat notes this proposal as business as usual with the proposal for this Unit to focus on internal administrative and business support functions as a thing of the past which goes against the spirit of the Strategic Plan on Organisational Goals that SPREP will embrace new and bold approaches.</li> </ol> <p>Whist the report acknowledges the People Strategy and recognition of the people as the most important resource, the report lacks the substantive analysis and validation of:</p> <ol style="list-style-type: none"> <li>1. The proposal to shift the focus to administrative function only.</li> </ol>	<p>The context and rationale relating to Recommendation 13 is presented in Section D1.4.1 of the Report. Recommendation 13 builds on the positive work of the Secretariat to date and is intended to further strengthen the internal processes of the Secretariat by addressing the “silo” effect (see comments in Annex 12 Staff Consultation Report, p.6).</p> <p>The Review Team recommends that the distinctive corporate service functions will be integrated into a single Business Support Unit where a COO or Director of Business Support will have oversight over the entire corporate services of Finance, Human Resources and Property. This oversight is intended to enhance the Secretariat’s performance, share resources, and build a cohesive management team. The new COO would encourage a dynamic and strong business unit that would embrace change and strategies to further strengthen the organisation, including, for example, upgrading the systems and processes, and the putting the People Strategy into practice.</p> <p>Current indications suggest that there are no funds to implement the People Strategy. The Review Team notes the importance of the People Strategy, and notes that an important issue for the COO to address will be to ensure that there are sufficient funds available to carry out the Strategy.</p>

	<ol style="list-style-type: none"> <li>2. Strategic placement of the People functions in modern and corporate organisations as part of their forward-looking strategies and transformation cultures in gaining competitive edge, more so now in this pandemic era.</li> <li>3. How the different functions are benchmarked against good practices in international organisations and how the Secretariat could benefit from a strategic and transformational approach to these areas in gaining competitive edge as an international organisation.</li> </ol>	<p>The Review Team notes that the Secretariat has commented on the need for a SWOT analysis and further analysis and validation of the discussions. This type of analysis is beyond the scope of this Review. The recommendation draws on international best practice and regional practice, including current practice within CROP agencies and regional organisations.</p> <p>This recommendation, and the others outlined in Part D of the Report will, if implemented, provide a vibrant, flexible and forward-looking environmental organisation for the Pacific.</p>
<p><b>Recommendation 14:</b></p> <p>That the SPREP Meeting consider providing the incoming Director General with a Letter of Expectations setting out the organisational outcomes that Members seek in his or her first term. This should include specific expectations on the corporate culture and management style that the Director General is expected to foster.</p>	<p>The Secretariat notes that the Performance Development Plan for the DG is a standing item for the SPREP Meeting and Executive Board every year. In addition, the contract of the Director General outlines the expected Key Result Areas and Expected Behaviours as approved by the SPREP Meeting. The report lacks the substantive analysis and validation of the:</p> <ol style="list-style-type: none"> <li>1. Current process, the gaps identified and how the proposed process is expected to bridge these gaps.</li> <li>2. Discussion of what the corporate culture and management style that the DG is expected to foster, compared to the current, and how these are compared to the SPREP Meeting assessments for the past years on the DG</li> </ol>	<p>The Review Team notes the Secretariat comments and simply wish to point out that the Review is not suggesting there is anything wrong with the current practice. Rather the Review is suggesting that a Letter of Expectations be considered by SPREP Members as an alternative to a contract for their DG. The Review Team is aware that the same practice has been adopted by Forum Members for the Secretary General and that it may also be introduced for Senior Staff.</p> <p>Recommendation 14 does not change the performance appraisal and job assessments undertaken currently; rather it draws on a broader and currently accepted international best practice for appointments at this level.</p>

	<p>receiving Fully Effective to Exceeds with no areas of concerns raised by the SPREP Meeting on these areas.</p> <p>3. how the Letter of Expectations differs from the contract of the DG based on the SPREP Meeting approval, and the PDP based also on the SPREP Meeting approval.</p>	
<p><b>Recommendation 15:</b></p> <p>That the SPREP Meeting consider requiring the Secretariat to amend its delegations framework to ensure that:</p> <ul style="list-style-type: none"> <li>(i) the Board makes decisions on all future re-sizing of senior positions (over Band 13);</li> <li>(ii) the Chair of the Board reviews all senior management performance assessments in conjunction with the Chair of the Audit Committee; and</li> <li>(iii) the Board reviews all major funding agreements over US\$[2] million. The Chair of the Board would be authorised to sign these after</li> </ul>	<p><b>Recommendation 15</b> significantly changes the governance structure of SPREP that brings into question our ability to deliver to our members and undermines the efficiency and integrity of the Secretariat.</p> <ol style="list-style-type: none"> <li>1. It will result in the reduction of the scope, power and authority of the DG position which raises questions on issues of micromanagement, efficiency and effectiveness.</li> <li>2. If these recommendations are implemented it raises concern as to the relevance of the DG position.</li> <li>3. The SPREP Meeting approves the Staff Regulations that gives authority to the DG to carry out these functions including issues of accountability and decision making in the discussions relating to job sizing, spans of control, management decisions.</li> <li>4. The SPREP Meeting in 2012 gave the DG the authority to amend these regulations where there was no substantive financial implications. This was the forward-looking organisation that the SPREP Meeting was anticipating to ensure that matters requiring approval for the efficient</li> </ol>	<p>Recommendations 15,16,17 and 18 are closely linked and should be seen as a package to be considered together. Each of these four recommendations target specific aspects of senior management functions. These are presented as four separate recommendations so that they can each be considered by Members in turn.</p> <p>The Review Team notes the Secretariat response to Recommendations 15 -18. However, in view of consultation feedback to the Review Team, we feel that there is a need for change to strengthen processes and systems at the Secretariat so that it is in a strong position to continue and build on its good work to date. We consider it timely that the Members initiate a review of these processes as suggested in order to streamline timely decision-making through delegation of authority where appropriate and to improve delivery to Members.</p> <p>Some Members observed that SPREP resourcing was being spread too thin and that there was a tendency for the organisation to take on too many projects. The requirement for the Board to review major funding agreements is by no means a measure to curb the authority of the DG, rather it is a measure to ensure that there is appropriate accountability around the strategic prioritization of programming and resourcing.</p>

<p>obtaining authority from the full Board in and out-of-session process.</p>	<p>operations, leadership and management of the Secretariat was delegated to the DG. Measures have been put in place as checks and balances for accountability. These are in addition to the Instructions to the DG from the SPREP Meeting.</p>	<p>Recommendation 15 adopts a cautious approach which provides for further checks and balances to ensure the sustainability of funding that is managed effectively and efficiently. This involves Board oversight of any contracts (staff or funding agreements) that have significant financial implications for the organisation.</p>
<p><b>Recommendation 16:</b></p> <p>That the SPREP Meeting consider requiring the Secretariat to carry out a comprehensive review of its management structures and job sizes. The review should encompass an assessment of the span of control of staff with management and supervisory functions across the organisation (band 11 and above). The review should provide recommendations for a restructure so that there are generally 4-6 direct reports per manager. The review should require that all management positions should be reassessed to</p>	<p>The report lacks substantive analysis and validation on the feasibility of <b>Recommendation 16</b> including:</p> <ol style="list-style-type: none"> <li>1. Where the proposal for 4 - 6 direct reports will lead to the establishment of more than 20 managers.</li> <li>2. The review of current structures, its shortfalls and gaps, and how this proposed structure is expected to resolve those.</li> <li>3. Review of the current job sizing policy, process and decisions.</li> <li>4. Review of the People Strategy and its Implementation Plans including the Outcome 3 focus on a Robust Workforce Planning.</li> <li>5. Comparison with good practices in composition of Senior Leadership Teams.</li> <li>6. Prioritisation of resource allocation.</li> <li>7. The impacts of not addressing the organisation structure on those areas that have had to put in extra hours on top of normal hours and issues of staff morale, fatigue, health and wellbeing. This issue of capacity is really lacking coverage in the report given the expectations of the Members on the Secretariat yet, the issue of staffing is not fully</li> </ol>	<p>Sections 4.1 and 4.2 in Part D of the Report cover the recommended approach to sustainable funding; this includes careful consideration of how things are done, strategic prioritisation of tasks and associated review of job descriptions/sizing. As mentioned above, this recommendation should not be considered in isolation, rather as a component of a comprehensive package the Review Team is proposing to address the sustainability of the organisation.</p> <p>Recommendation 16 adopts a cautious approach which provides for further checks and balances to ensure the sustainability of funding is managed effectively and efficiently. This involves Board oversight of all staff contracts that have significant financial implications for the organisation. In the interests of accountability and productivity, this 'job sizing' review should seek to attain more parity between managers in terms of spans of control and number of direct reports.</p> <p>It is noted that the Secretariat has commented on the need for further analysis and validation of the discussions. This type of analysis is beyond the scope</p>

<p>meet the new recommended structure.</p>	<p>addressed especially on the impacts on the people.</p>	<p>of this Review. The recommendation draws on international best practice and regional practice, including current practice within CROP agencies and regional organisations.</p>
<p><b>Recommendation 17:</b></p> <p>That the SPREP Meeting realigns the responsibilities of the Executive so that the Director General is focused on managing external relations, and the Deputy Director General is focused service delivery to its' Members.</p>	<p>The report lacks validation of <b>Recommendation 17</b> as this is currently in place. The report lacks analysis of the DG and the 2 DDG Job Descriptions and contradicts the DG's and DDGs' PDPs.</p>	<p>As mentioned above, Recommendation 17 should not be considered in isolation, rather as a component of a comprehensive package the Review Team is proposing to address the sustainability of the organisation.</p> <p>The context and rationale for this recommendation is presented in Section D1.4.2 and D1.4.3 of the Report. The Review Team was advised that currently there is no secure funding for the second DDG position. Based on the consultations and review of job descriptions, it is unclear to the Review Team why the second DDG position is required. Taking into consideration circumstances in other CROP organisations, the Review Team is of the view a second DDG position is not required, particularly if the Members decide to adopt the proposed new structure.</p>
<p><b>Recommendation 18:</b></p> <p>That the SPREP Meeting require the Secretariat to adjust the current reporting lines so that the Executive directly manage:</p> <ul style="list-style-type: none"> <li>(i) Communications and outreach,</li> <li>(ii) the subregional offices (and in-</li> </ul>	<p>What is being recommended in <b>Recommendation 18</b> is the current practice.</p>	<p>This Recommendation highlights the importance that the Review Team places on these functions and would like to reinforce that the Executive needs to directly oversee and coordinate these important areas of work. In particular, the communications function has the potential to further amplify messaging about the environment and further enhance the awareness and perceptions about the role that SPREP plays in this space.</p> <p>As mentioned above, Recommendation 18 should not be considered in isolation, rather as a component of a</p>

<p>(iii) country Project funded offices and the Accredited Entity function.</p>		<p>comprehensive package the Review Team is proposing to address the sustainability of the organisation. This recommendation is linked to Recommendation 7 relating to a strengthened approach to communications, outreach and advocacy.</p>
<p><b>Recommendation 19:</b> That the SPREP Meeting require the Secretariat to process-map and document the workflows of all its internal business processes and the associated data flows across the organisation. Building on this process mapping exercise recommendation, the Secretariat would implement a quality management system, while seeking to attain accreditation under ISO 9000 and/or other relevant international standards for operations (IT services and project management ).</p>	<p>The report lacks reference to work completed and in progress. For example, Outcome 5: Enhanced People Policies, Practices, and Ways of Working of the People Strategy focused on Enhanced Policies, Systems and Ways of Working - for people processes - and this is a key milestone of the Implementation plan currently under progress.</p>	<p>The context and rationale relating to Recommendation 19 is explored in detail in Section D2 of the Report relating to Processes and Systems. Section D2.1 notes that the Secretariat has work in progress in relation to updating systems and processes.</p> <p>The consultation process revealed a high sense of stakeholder frustration with the current systems and processes (see Annex 12: Staff Consultation Report, p.6). Staff, partners and donors alike stated that the Secretariat systems and processes “need an overhaul”.</p> <p>The Secretariat has noted that a Digital transformation is essential in order for SPREP to be resilient and have the capacity to respond and adapt to stresses or disturbances by mitigating damages and recovering quickly.</p>
<p><b>Recommendation 20:</b> That the SPREP Meeting require the Secretariat adopt a single and standardised project</p>	<p>There is already a project cycle manual developed in 2017 which is being updated to reflect experience to date including the role of SPREP as an AE to GCF and AF. Meanwhile, SPREP is also guided in situations where donors specify their preference or conditions for project management approaches.</p>	<p>Section D 2.3 of the report acknowledges the SPREP Project Cycle, PCU and project pipeline that are in place. However, a number of stakeholders (both internal and external to SPREP) noted the tendency for each project to set up its’ own distinct project management methodologies and systems that are</p>

<p>methodology and apply this for all projects.</p>		<p>running independent or parallel to the overarching SPREP project management frameworks (See Annex 5 High Level Findings from Survey p.6 &amp; 9). The Report also commends the work of the PCU in bringing some consistency to project management, but also indicates that this is not applied to all programme areas. Recommendation 20 builds on the existing Project Cycle and work of the PCU to utilize a standardised quality-based approach to project management and to bring a greater level of consistency across projects. The Review Team stresses that effective, systematic and consistent approaches to project design and management are the key to unlocking funding streams for SPREP; a robust and recognized project management cycle that is supported by risk management framework is essential for the Secretariat to meet and deliver services to Members.</p> <p>The Review Team is of the view this recommendation equally applies to the adoption of a general quality management system (such as ISO9000); see Section D2.5 of the report. As such this approach has the potential to satisfy donors and ease the burden on the Secretariat of an increase in donor-specific requirements.</p> <p>This recommendation has been strengthened to include the important component of risk assessment. The amended wording is as follows:</p> <p><b>Recommendation 20: That the SPREP Meeting require the Secretariat adopt a single and standardised project methodology and apply this for all projects including a detailed fully costed risk assessment for all projects.</b></p>
---	--	--

<p><b>Recommendation 21:</b></p> <p>That the SPREP Meeting consider requiring the Secretariat to appoint an Ombudsman for procurement, who would be responsible for investigating complaints about procurement. The Ombudsman would report to the SPREP Board though the Audit Committee</p>	<p>The report lacks substantive analysis and validation on why an Ombudsman is needed as per <b>Recommendation 21.</b></p> <p>The references to the EU Pillar Assessments have been misunderstood and thus misleading. The Secretariat passed all of the external assessments. SPREP is the first CROP agency to have passed all of the new complementary EU Pillars as referred to in the report.</p> <ol style="list-style-type: none"> <li>1. The EU Pillar Assessment findings seemed to have been applied in the wrong context to reach a conclusion that SPREP did not appear to have an effective process to investigate complaints. It made reference to the EU Pillar Assessment done in March 2021 but only took some of the parts of the report which were standard/generic wordings for Pillar Assessment Reports, as well as some of the findings noted in the report for improvement in SPREP processes via an update of its Procurement Policy in order to align to the latest revised EU Regulations.</li> <li>2. It failed however to correctly reflect that the EU Pillar Assessment Report in no way concluded that SPREP processes were not compliant nor ineffective in handling/investigating complaints. In fact, the Pillar Assessment report focused on an assessment of systems, controls, rules, procedures etc for the purpose of determining if it met Pillar Requirements for EU which in all 3 areas, while with observations in some areas for</li> </ol>	<p>The Secretariat asserts that the Review Team have misunderstood the EU Pillar Assessment Report. This assertion is irrelevant in the context of Recommendation 21, which is solely about the value of an Ombudsman to support procurement practices, in particular complaints.</p> <p>Section D 2.6 of the report provides some context around current procurement practices, including (but not exclusively reliant on) a reference to the recent EU Pillar Assessment ends with the statement. The Review Team’s finding was that there needs to be continued diligence and transparency in the procurement process. This was reinforced by stakeholder feedback. The Review Team is of the view that the Secretariat needs a process to deal with procurement complaints and disputes. An Ombudsman fills this need. Recommendation 21 offers a solution to improve due diligence and transparency around procurement practices.</p> <p>The suggestion to provide “<i>TOR and estimated costings for the Ombudsman position and expected volume of work as well as analysis and lessons from the UN that supposedly has this system</i>” is beyond the scope of this review. This work would likely be tasked to the Secretariat, should the Members accept the recommendation. Section D2.6 concludes with some cost consideration based on the assumption that the Ombudsman would be needed infrequently.</p> <p>For the sake of completeness, Section D2.6 has been updated to outline the Policy and Procedure revisions</p>

	<p>improvement such as the findings mentioned in the review report, SPREP was attested as applying appropriate rules and procedures overall. Hence passed all the EU Pillars that were assessed.</p> <p>3. Secondly, the review report mentioned the use of an Ombudsman in 'many jurisdictions' but there did not seem to be evidence that an assessment or specific reference was made to a similar system and position in other CROP agencies particularly that of PIFs and SPC as a benchmark for the suggested recommendation for SPREP.</p> <p>4. Thirdly, with <b>Recommendation 21</b>, it would be useful to see as part of the review, the TOR and estimated costings for the Ombudsman position and expected volume of work as well as analysis and lessons from the UN that supposedly has this system.</p>	<p>that would be required to support the Procurement Ombudsman function including: <i>“Procurement Policy update, Procurement (purchasing) Policy, Procurement (tendering) Policy and Procurement Complaints mechanism including a review of existing arrangements must be completed and confirmed by the Audit and Risk Committee.”</i></p>
<p><b>Recommendation 22:</b></p> <p>That the SPREP Meeting:</p> <p>(i) support the digital transformation of SPREP and commit to fund the prerequisite upgrade;</p> <p>(ii) require the Secretariat to develop a proposal with a full</p>	<p>Comments are the same for <b>Recommendations 22 and 23</b></p> <p>1. While <b>Recommendations 22 and 23</b> are noted, they pose significant cost implications on the Secretariat. The review does not provide a funding plan for these recommendations.</p> <p>2. It is worthwhile noting that the last brief provided to the Trilaterals meeting in March 2021 the estimated digital transformation for SPREP was estimated to cost US\$7 million.</p> <p>3. Whilst substantial funding is required to fully implement the digital transformation of SPREP,</p>	<p>This Review Team response refers to both Recommendations 22 and 23.</p> <p>The Review Team recognises that the implementation of a digital transformation is a major exercise and that some initial steps are being taken. Many stakeholders during the consultations referred to this task as essential and timely. (See Annex 5: High Level Findings from Survey, p.10). The approach of the Review Team, based on the findings of the Review, is to reinforce the importance the digital transformation and ensure there is requisite attention and funding dedicated to the transformation. This Recommendation should be taken into consideration in conjunction with Recommendation 19 which sets the Secretariat up to</p>

<p>description of the desired end-state and a stepped roadmap to achieve that state.</p> <p>This proposal should be underpinned by the following principles:</p> <p><b>(i)</b> The current disparate systems should be rationalised and consolidated to one set of business systems on a common platform.</p> <p><b>(ii)</b> Project-specific websites or ICT tools should be discontinued, and any donor project funds should be used to deploy sustainable systems on the Secretariat’s core systems with all expenses covered by project cost recovery charges.</p>	<p>however it is important to note that the Secretariat has started implementing 'low hanging fruits' that can be done using in house IT technical expertise.</p> <p><b>4.</b> Throughout the report please replace Information Management Unit with Knowledge Management Unit. Information Management Unit does not exist in the current organisational structure.</p>	<p>gather the requisite process mapping data to facilitate this digital transformation process.</p> <p>The reference to the cost estimates provided at the Trilateral meeting in March 2021 is noted and the figure has been revised from US\$10 to 7 million. The suggestion that the Review provides a ‘funding plan’ for this proposed digital transformation is well beyond the scope of the Review.</p> <p>Section D4.1 and D4.2 of the Report, which cover Sustainable Finance and Funding issues, highlight the importance of ensuring that members understand that in order for SPREP and the Secretariat to be viable and sustainable, Members will need to support more core funding, including provision for reserve funds that will allow for the digital transformation to be realized (see Recommendation 34).</p> <p>The Review Team notes and commends the work of the IT Unit. Furthermore, we acknowledge the anticipated workload ahead to successfully implement and sustain the digital transformation necessary to take SPREP forward.</p> <p>Recommendation 23 is intended to capture that external assistance would greatly enhance this work and would support the broader organisation change should the Members adopt the recommendations in the Report.</p> <p>The Secretariat request (Point 4) to replace all references to “Information Management” with “Knowledge Management” is noted, and this change has been made in the Report as requested.</p>
--	---	--

<p><b>(iii)</b> The use of open-source software that includes a variety of business systems as modules, which are already integrated and thus interoperable.</p>		
<p><b>Recommendation 23:</b></p> <p>That the SPREP Meeting require the Secretariat:</p> <p><b>(i)</b> engage external support as necessary to assist the Secretariat with its digital transformation process, that incorporates an accepted lifecycle methodology; and</p> <p><b>(ii)</b> establish a Change Management Unit for digital transformation and broader organisation change.</p>	<p>Comments are the same for <b>Recommendations 22 and 23</b></p> <ol style="list-style-type: none"> <li><b>1.</b> While <b>Recommendations 22 and 23</b> are noted, they pose significant cost implications on the Secretariat. The review does not provide a funding plan for these recommendations.</li> <li><b>2.</b> It is worthwhile noting that the last brief provided to the Trilaterals meeting in March 2021 the estimated digital transformation for SPREP was estimated to cost US\$7 million.</li> <li><b>3.</b> Whilst substantial funding is required to fully implement the digital transformation of SPREP, however it is important to note that the Secretariat has started implementing 'low hanging fruits' that can be done using in house IT technical expertise.</li> <li><b>4.</b> Throughout the report, please replace Information Management Unit with Knowledge Management Unit. Information Management Unit does not exist in the current organisational structure.</li> </ol>	
<p><b>Recommendation 24:</b></p>	<p>The report lacks regard for and review of current capacity development initiatives and the People Strategy. Outcome 4: Increased Mastery in</p>	<p>The Review Team notes the Secretariat comment. Section D3.1 of the Report provides reference to the current status and plans relating to the People</p>

<p>That the SPREP Meeting require the Secretariat to put into place a Capability Development Framework that could be developed and implemented either as part of, or standalone from the People Strategy.</p>	<p>Leadership capability of the People Strategy's Implementation Plan includes the Capability Framework as a key milestone.</p>	<p>Strategy, noting that it is too early to comment on the effectiveness of implementation to date. Recommendation 24 is framed within the context of the current People Strategy, and as such this The Review Team is drawing attention to the need to put in place a capability development framework sooner rather than later.</p>
<p><b>Recommendation 25:</b></p> <p>That the SPREP Meeting consider requiring the Secretariat to establish an independent external dispute mechanism to provide a neutral forum for staff grievances to be addressed and adjudicated after other dispute settlement processes, such as in Staff Regulation 12, are exhausted.</p>	<p>The report lacks an analysis and validation of <b>Recommendation 25</b>. Outcome 5: Enhanced People Policies, Practices, and Ways of Working of the People Strategy Implementation plan includes the development of the grievance Policy and Mechanism as a key milestone. This work is currently in progress.</p>	<p>The Review Team acknowledges that the Secretariat comments are in agreement with the intent and purpose of Recommendation 25. However, as with Recommendation 24, the Review Team is concerned that this needs operationalising.</p>
<p><b>Recommendation 26:</b></p> <p>That the SPREP Meeting require the Secretariat to support the Staff Association to reform itself as a single entity staff labour organisation with a higher level of independence, that</p>	<p>The report lacks the analysis and validation that has led to <b>Recommendation 26</b>.</p> <p><b>Recommendation 26</b> does not accord with the views of the President of the Staff Advisory Committee as follows:</p> <ol style="list-style-type: none"> <li>1. Suggest a more appropriate recommendation would be to have the Secretariat Executive, work collaboratively with the Staff Advisory Committee to update the Committee Constitution to ensure</li> </ol>	<p>The review findings and recommendation in relation to the Staff Advisory Committee took into consideration the views and suggestions of the President and other members of the Staff Advisory Committee.</p> <p>Recommendation 26 would achieve the result that is proposed in the Secretariat's comment but as a more lasting solution based on common international best practice. It would also be less dependent on sustained management willingness to work collaboratively with</p>

<p>operates in accordance with ILO standards.</p>	<p>there is an active two-way communication process, to ensure that staff issues are not only managed quickly when raised by the Committee, but issues affecting staff raised by the Secretariat's executive, are first fed through the Committee for comment and assistance with communication, consultation, and implementation.</p> <p>2. The Staff Advisory Committee does not feel it necessary to be formalised, or that it needs greater independence, but would welcome greater engagement with Secretariat leadership on issues impacting staff employment and conditions.</p> <p>3. The Staff Advisory Committee feels the update of the constitution would provide an immediate and meaningful outcome that will improve identification and management of issues related to staff engagement and employment.</p>	<p>the Staff Advisory Committee and to respond to issues raised by the Committee in a timely manner.</p> <p>This Recommendation is made in consideration of the needs and interests of future Secretariat staff as well as the current representatives.</p> <p>We have replaced the term Staff Association with Staff Advisory Committee in the report; the recommendation now reads as follows:</p> <p><b>Recommendation 26: That the SPREP Meeting require the Secretariat to support the Staff Advisory Committee to reform itself as a single entity staff labour organisation with a higher level of independence, that operates in accordance with ILO standards.</b></p>
<p><b>Recommendation 27:</b></p> <p>That the SPREP Meeting require the Secretariat to formulate a staff personal data protection policy. The policy should define a timeframe for retention of such data and procedures for how it is ultimately disposed.</p>	<p><b>Recommendation 27</b> is noted but needs to be amended to 'Personal Data Protection Policy' and not 'Staff Personal Data Protection Policy' in line with this EU Pillar which is focused on the protection of personal data in general and not necessarily for staff only. A policy has been drafted and work is in progress.</p>	<p>Noted. This wording change has been made throughout the Report. The Recommendation now reads as follows:</p> <p><b>Recommendation 27: That the SPREP Meeting require the Secretariat to formulate a personal data protection policy. The policy should define a timeframe for retention of such data and procedures for how it is ultimately disposed.</b></p>
<p><b>Recommendation 28:</b></p>	<p>SPREP does not pay a location allowance.</p>	<p>This comment is noted. Section D3.6.2 and Recommendation 28 has been deleted from the Report.</p>

<p>The SPREP Meeting request the Secretariat to:</p> <ul style="list-style-type: none"> <li>(i) reassess the current location allowance; and</li> <li>(ii) consider replacing the location allowance with a market allowance as defined and detailed in this Report.</li> </ul>		
<p><b>Recommendation 29:</b></p> <p>That SPREP Members ensure that their respective national pension/superannuation schemes remain available to their nationals while they are working at SPREP.</p>	<p><b>Recommendation 29</b> is unclear.</p>	<p>The Review Team is firmly of the view that Secretariat staff should have access to a superannuation scheme of their choice. In many (but not all) instances such a scheme will likely be that which is applicable in the country of nationality (e.g. a Fijian employed by the Secretariat should be eligible to access the Fijian pension scheme). This recommendation simply flags this matter for guidance to Members whose nationals are recruited to the Secretariat staff.</p> <p><i>Note that due to deletion of a previous Recommendation (relating to location allowance), this Recommendation is now numbered 28 in the Final Report.</i></p>
<p><b>Recommendation 30:</b></p> <p>That the SPREP Members require the Secretariat to:</p> <ul style="list-style-type: none"> <li>(i) amend the Financial Regulations to</li> </ul>	<p>The review leading to <b>Recommendation 30</b> lacks evidence and substance to substantiate suggestions given.</p> <ul style="list-style-type: none"> <li>(i) Suggestion to remove Project Management fees from Miscellaneous income lacks relevance relative to the key issue of</li> </ul>	<p>The Review Team recognises the importance of Sustainable Finance and that it is a key component of the Review. The Review Team has noted the comments provided and provided some revisions to Sections 4.1 and 4.2 to improve clarity of what is being presented and recommended.</p>

<p>(ii) remove project management fees from miscellaneous income, and budget/account for this income and the associated expenses in a separate budget segment; identify which managerial and support staff are dedicated to supporting Project Implementation, and fund these staff from project administration charges;</p> <p>(iii) institute internal charges for cost recoveries between budget segments; and</p> <p>(iv) ensure that any advice provided by staff to a specific project that is not funded by that project is internally charged on the basis of work days or hours rather than full time employees.</p>	<p>(ii) Sustainable Financing, rather, an assessment should have been undertaken to review the current fees collected compared to the value of the work done by the Secretariat SPREP already has a clear identification of management and support staff dedicated to supporting Project Implementation – but fees are not adequate to support such Core Support functions – hence why the current approach to fund from all available sources of Core Income is more applicable – the issue however is how to generate sufficient CORE INCOME base/funding to support key works such as these.</p> <p>This is not clear from the report and the recommendations</p> <p>(i) Not relevant as Cost recovery currently done by SPREP</p> <p>(ii) Not relevant as this is already currently done by the Secretariat i.e. charging core personnel time based on work days and hours committed to support project activities etc.</p> <p>Sustainable Finance is a very key component of the Review but the draft report and thus recommendations presented are not meeting SPREP expectations to address this issue as per the TOR.</p>	<p>The Review recognises that the issue of sustainable financing (or rather the lack of it) has been an issue since the beginning of SPREP in 1993 as it emerged from being a project under the UNEP Regional Seas Programme. At the time, the intention was to provide advisory services on request from Members who committed to paying a nominal membership contribution (core budget) and there was little programmatic work (project funded budget). That situation has evolved over time with the growth of project-funded activities to meet both Island Members and donor partner needs. Currently the Core Budget is around US\$6m, and Programmatic Budget (Project tied) at around US\$24m. This scenario over the past 30+ years is not unique to SPREP and is evident in the history of other CROP organisations.</p> <p>The issue of sustainable finance is entangled in the dual ‘business model’ described in Section D1 of the Report. The Review Team recognises the need for substantive changes in how the Secretariat is structured and functioning. For SPREP, this is particularly so because of the anticipated future growth in its work programme and increasing size of projects/project budgets. These recommendations are based on the experience of PIFS which, while it has taken six years to achieve its current financial levels, now has 10 months of operational expenses in the General Reserve Fund on the Balance Sheet. The changes proposed will require some modifications to the financial regulations as outlined in Section D4.2 of the Report.</p> <p>Recommendations 30-33 are inter-related and should be considered as a package to contribute to</p>
---	---	--

		<p>sustainable finance and funding. The underlying financial model proposed by the Review Team incorporates changes already addressed in earlier sections of Part D of the Report. A key element underpinning financial sustainability is a strengthened, robust and rigorous project management cycle and risk management functions. The revised roles of the Independent Audit and Risk Committee and Risk Manager in this process will further enhance the financial sustainability of the organisation. All these areas have implications on available funds. A major component of sustainable funding is Member contributions that should be the primary, and only contribution to the Core Budget.</p> <p>In response to the comment that: <i>“Sustainable Finance is a very key component of the Review but the draft report and thus recommendations presented are not meeting SPREP expectations to address this issue as per the TOR.”</i>:</p> <ul style="list-style-type: none"> <li>• The Terms of Reference are included in Annex 1 of Volume 2 to this report.</li> <li>• In the Section titled “Scope of Reviews...Third Independent Corporate Review”, the ToR state that “The assessment of the overall performance of the Secretariat will be made with specific reference to: ... The financial sustainability and viability of the organisation with particular regards to current strategies and processes for funding core programmes and operations”.</li> </ul>
--	--	--

		We note that the review findings and recommendations presented are not meeting SPREP expectations to address this issue. However, we would disagree with any suggestion that we have not fulfilled the TOR. In many instances we have gone above and beyond the ToR in the interests of being thorough at the team's own personal expense.
<p><b>Recommendation 31:</b></p> <p>That the SPREP Meeting require the Secretariat to rationalise core expenditure to cover:</p> <ul style="list-style-type: none"> <li>(i) essential policy advisory functions, and</li> <li>(ii) a minimum viable corporate business support function.</li> </ul>	<p><b>Recommendation 31</b> is not compliant with International Financial Reporting Standards (IFRS) i.e. not allowed to hold a separate reserve per se or even provisions for separate funds as suggested to be maintained via any supposed savings.</p> <p>For Capital reserves, they are not created out of investments but only via situations either upon revaluation of an asset or from gains on sale of long-term assets or on settlement of liabilities to finance long term project. The review had also not taken into account an assessment of the current Reserves position for the Secretariat which is still very weak and thus problematic, yet a suggestion put forward for additional funds accounts.</p>	<p>The context and rationale for the rationalisation of core budget expenditure is presented in Section D4.2.3 of the Report. The Review Team and Technical Reviewers do not concur that this recommendation is "not compliant with International Financial Reporting Standards".</p> <p>Capital Reserves are addressed in Recommendation 32 and it is very clear to the Review team that this Reserve position is very weak. This situation only heightens the importance of the set of Recommendations for Sustainable Financing and Funding.</p> <p>Note that the wording of Recommendation has been amended slightly and now reads as follows:  <b>Recommendation 31: That the SPREP Meeting require the Secretariat to rationalise core expenditure to cover:</b></p> <ul style="list-style-type: none"> <li>(i) essential policy advisory functions, and</li> <li>(ii) and viable corporate business support function.</li> </ul>
<p><b>Recommendation 33:</b></p> <p>That the SPREP Meeting consider and decide to</p>	<p><b>Recommendation 33</b> is duly noted by the Secretariat.</p>	<p>Noted.</p> <p>Note that for the sake of further clarity, Recommendation 33 (now 29) has been updated to read as follows:</p>

<p>amend the Financial Regulations to:</p> <ul style="list-style-type: none"> <li>(i) clarify that annual assessed member contributions are mandatory.</li> <li>(ii) set a definitive date by which such fees must be paid,</li> <li>(iii) introduce graduated consequences for late payment of membership fees, and</li> <li>(iv) stipulate that arrears greater than 12 months should result in suspension of service unless that government has concluded a payment plan that is approved by the Board.</li> </ul>		<p><b>Recommendation 29: That the SPREP Meeting consider and decide to amend the Financial Regulations to:</b></p> <ul style="list-style-type: none"> <li><b>(i) Give consideration to a regular adjustment strategy for assessing member contributions</b></li> <li>(ii) clarify that assessed member contributions are mandatory.</li> <li>(iii) set a definitive date by which such fees must be paid,</li> <li>(iv) introduce graduated consequences for late payment of membership fees, and</li> <li>(v) stipulate that arrears greater than 12 months should result in suspension of service unless that government has concluded a payment plan that is approved by the Board.</li> </ul> <p><i>Note that due to deletion and reordering of some text, this Recommendation is now numbered 29 in the Final Report.</i></p>
<p><b>Recommendation 34:</b></p> <p>That the SPREP Meeting require the Secretariat to consider adopting the International Public Sector Accounting Standards (IPSAS).</p>	<p>1. The report lacks an assessment of the current reporting approach by SPREP under International Financial Reporting Standards (IFRS) and any noted weaknesses to warrant a change to International Public Sector Accounting Standards (IPSAS). SPREP currently reports on the basis of IFRS which accounting wise is internationally recognised and the more widely adopted of the accounting standards, thereby governing organisations to promote consistency, comparability and understandability which in turn is conducive and also supports SPREP's</p>	<p>The rationale and context for Recommendation 34 (now 33) is presented in Section D4.2.5 of the Report. Some additional text has been added to provide further clarity around the recommendation.</p> <p>The Review Team considers the IPSAS standards are more suitable for the Secretariat and anticipates that the commercial requirements of IFRS might become higher to comply with in the future. This is consistent with other CROP agencies that have adopted IPSAS, including SPC, FFA and PIFS.</p>

	<p>separate reporting to a wide but varied audience of donors/projects as well.</p> <p>2. IFRS is the benchmark for Accounting standards and is the widely adopted basis for financial reporting with no noted gaps or weaknesses to date in SPREP's current Accounting Policies applied and Reporting arrangements as attested to all the external audits, verifications and accreditation assessments undertaken for SPREP.</p>	<p>This recommendation has been updated to include a suggested timeframe and now reads as follows:  <b>Recommendation 33: That the SPREP Meeting require the Secretariat to consider adopting the International Public Sector Accounting Standards over the next 2 or 3-year timeframe.</b></p> <p><i>Note that due to deletion and reordering of previous recommendations (relating to location allowance), this Recommendation is now numbered 33 in the Final Report.</i></p>
<p><b>Recommendation 35:</b></p> <p>That the SPREP Meeting amend the Financial Regulations to ensure that budgets are prepared on the same basis as Financial Statements.</p>	<p>SPREP's budget is already currently aligned and linked to its Financial Statements done.</p>	<p>Please refer to our response to comments on Recommendation 34 (now 33) above.</p> <p>The rationale and context for Recommendations 33-35 is presented in Section D4.2.5 of the Report. Some additional text has been added to provide further clarity around the recommendation.</p> <p><i>Note that due to deletion and reordering of previous recommendations, this Recommendation is now numbered 34 in the Final Report.</i></p>
<p><b>Recommendation 36:</b></p> <p>That the SPREP Meeting require the Secretariat to consider adopting segment reporting to allow it to match its income and expenditure for its advisory services and project implementation work.</p>	<p>1. <b>Recommendation 36</b> is not relevant as this is already currently done by the Secretariat in the PIP report to its members as well as balances disclosed in the Audited Financial Statements which clearly matches income recognised to expenditure incurred for these respective areas, which is an essential part of financial reporting under International Financial Reporting Standards (IFRS).</p>	<p>Please refer to our response to comments on Recommendation 34 (now 33) above.</p> <p>The rationale and context for Recommendations 33-35 is presented in Section D4.2.5 of the Report. Some additional text has been added to provide further clarity around the recommendation.</p> <p>For the purposes of greater clarity, the wording of Recommendation 37 has been amended to read as follows:</p>

	<p>2. All external audits done by the Secretariat render appropriate financial reporting practices by the Secretariat as per Unqualified audited accounts concluded in all past years.</p>	<p><b>Recommendation 35: That the SPREP Meeting require the Secretariat to consider adopting segment reporting to allow for greater budgetary control in matching the income and expenditure for the advisory services and project implementation work.</b></p> <p><i>Note that due to deletion and reordering of previous recommendations, this Recommendation is now numbered 35 in the Final Report.</i></p>
<p><b>Recommendation 37:</b></p> <p>In recognition that many of the 2014 ICR recommendations have not been fully implemented, that the SPREP Meeting require that the Secretariat report on progress with the implementation of the approved recommendations of this Review annually at SPREP Executive Board and Member meetings.</p>	<p>1. The review is not clear on any analysis or discussion done to clarify the status/position of why these were not progressed. A comprehensive analysis of SPREP's progress since 2014 noting remaining gaps as well as flagging successes through to date would have been an expected outcome from this review and thus the recommendation to follow.</p> <p>2. In addition to 1 above, the recommendation stated that many of the 2014 ICR have not been fully implemented. The question to raise is how many?</p> <p>3. The recommendation also does not include a realistic timeframe that the IRT is proposing to implement the recommendations and an identification of budget and resourcing implications.</p> <p><b>Additional Note:</b></p> <p>4. Part E on high level Conclusion of the Review Team. It stated that the Review has found that a lot of SPREP's work is being delivered as a discrete set of donor-funded projects. The report</p>	<p>Please note that Annex 24 (Volume 2 of the Report) provides a detailed analysis of the comments from the Secretariat on each of the 2014 Recommendations and the Review Team has provided comments and made an assessment accordingly. There are also references throughout the Report where the Review Team considered that issues raised in the 2014 Review had not been adequately addressed.</p> <p>The expectation that a timeframe, budget and resourcing implications for implementation of the recommendations is beyond the scope of the Review's Terms of Reference (refer Annex 1, Volume 2 of the report).</p> <p><i>Note that due to deletion and reordering of previous recommendations, this Recommendation is now numbered 36 in the Final Report.</i></p>

	needs to be clear on what it means when it states that a lot of SPREP work is being delivered.	
--	--	--