



**Central Policy and Planning  
The Office of the Prime Minister  
GOVERNMENT OF THE COOK ISLANDS**

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## Minutes

### National Sustainable Development Committee

<b>Date</b>	Wednesday 28 <sup>th</sup> June 2017
<b>Time</b>	2pm
<b>Venue</b>	Cabinet Room, Office of the Prime Minister
<b>Attendees</b>	Bredina Drollet(OPM) (Chair) Mii Nimerota (OPM - CPPO) Charlene Hoff (OPM - CPPO) (Notetaker) Lavinia Tama (MFEM - DCD) Daphne Ringi (PSC) Gail Townsend (MOE) Tepaeru Herrmann (MFAI) Halatoa Fua (CIT) Merita Wi-Kaitaia (CPPO) Elizabeth Iro (MOH) <b>Apologies:</b> Michael Henry (IC member) Garth Henderson (MFEM) Joseph Brider (NES)
<b>Reference documents</b>	

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#### 1. Introduction

- Meeting opened at 2.03pm with prayer by Gail

#### Action

No actions required

#### 2. Minutes, and matters arising from the last meeting on 31<sup>st</sup> May 2017 and 02<sup>nd</sup> June 2017

- NSDC **adopted** minutes of both meetings as a true and correct.
- NSDC **agreed** that the matters arising from both these meeting minutes were formally included for discussion later in the agenda of this meeting (Role of NSDC and the

Administered Fund) or other business matters (HOMs Retreat, Foreign Policy White Paper; ODA Graduation).

## Action

No actions required

### 3. NZ Core sector support fund

- Secretariat circulated the NZ GFA Briefing note outlining: to note the GFA progress report; to note NZ MFAT approval for resourcing towards OPM and DCD for CSS GFA Coordination function; to endorse the TA priority list.
- NSDC **noted** the GFA Progress Report. Discussion points:
  - Lavinia advised that DCD submitted the 6 monthly progress report to the NZ High Commission to trigger the next milestone payment. DCD noted NZ has come back with a few minor queries relating to Education, Health and Tourism. Gail asked whether any further comments could be made on the document. Lavinia advised the report has already been formally submitted to MFAT as it needed to be submitted before end of June. DCD and OPM will look into timeframes of the reporting in the next financial year. Ideally, DCD will use the consolidated indicator report for the NSDP for the GFA reporting for the direct budget support outputs, however, there was a timing issue in that the GFA report was due June while the annual NSDP report was due a month later in July. Gail noted for MOE in the Activity Progress Report\_CSS page 5, referenced indicator 4 and have provided feedback to DCD.
  - Bredina noted key issues arising from the report were related to Output 4 (Procure technical assistance and other support for economic governance and public sector strengthening), with concerns on the delays in implementing the approved TA projects. Lavinia noted that this will be the priority over the next financial year so while the direct budget support for the 3 key agencies has streamlined processes with only specific indicators needing to be monitored, the technical assistance component has been quite slow.
- NSDC **noted** MFAT approval for resourcing to OPM/DCD for Core Sector Support GFA Coordination function. Discussion points:
  - It was noted that NZ has approved that some funding from within Output 4 be provided to OPM and DCD for 2 administrative positions (1 in DCD and 1 in OPM) to help with the administration of the core sector support function and address the delays in implementation of Output 4. NZ will provide this support for the next 12 months and funding will commence in the next financial year.
  - Bredina noted that NZ was supportive if these were new staff; NZ specifically did not want to support top-up salaries of existing officers. OPM did not get funding for the policy officer position recruited in January (using CPPO Director savings) in the 2017-18 Budget and so NZ was supportive of retaining that person to undertake coordination of Core Sector Support. In the case of DCD, NZ was supportive of continuing the short-term non-ongoing contract used by DCD to support the NZ GFA.
  - Daphne noted that funding for the 2 staff for Core Sector Support Function was budget supplementation, not TA support, and asked if this is going to be allowed for other proposals that are coming through. Bredina replied that it was unlikely to be extended to other TA projects, as NZ saw this proposal as necessary administrative support to enable achievement of the general output objectives. Without this support, we will continue to see the limited progress that has been evident for the past 9 months.
  - Daphne asked clarification on accountabilities of the program. Bredina stated that the overall performance accountability of Output 4 of the GFA remains with DCD

- with support from OPM. Line ministries that were approved TA funding under Output 4 would be accountable for specific projects through funding agreements.
- NSDC **noted** the CSS TA Priority list (as approved by NZ) but did not endorse the list in this meeting, instead **agreed** to a separate working meeting in week of 10 July (date to be confirmed) to identify a prioritisation process that selects TA needs in a fair and transparent process. Discussion points:
    - Bredina opened discussion by advising NSDC that NZ was very keen to see how the Core Sector Support Function to OPM and DCD can push along TA activities in the next 12 months but also how it could be used to support strengthening NSDC itself as NZ saw it as a critical decision-making body to support the bilateral high level policy dialogue beyond the current GFA (especially under ODA graduation).
    - Halatoa asked what the appetite was from New Zealand for GFA regardless of ODA graduation outcomes. Lavinia replied there has been no discussions held just yet on the design of the next triannual period. What NZ support looks like will need to be discussed at the high-level dialogue. Bredina advised that there has been discussion for a Joint Ministerial Forum, this likely to be held sometime next year, post NZ elections, therefore indicates the high-level policy dialogue must happen this year, possibly after October.
    - Daphne questioned the TA selection process. PSC is undertaking capacity assessments with some government agencies but in order for those to be meaningful, there needs to be mechanisms to support priority actions arising from them. If not budget support, can they be told that they can apply for funding through this mechanism?
    - Lavinia advised the current priority listing was populated from the last high-level policy dialogue identified last year. A longer list was supplied to NZ, however, NZ has come back and advised some priorities on that list does not meet their requirement. In addition, a number of agencies have indicated some proposals were funded through the budget or are no longer priorities. There is now some administered funding available for priorities that weren't on the initial list but we have not open this funding to ministries.
    - Tapaeru advised there are problems with the process and transparency. Further discussions on allocations of resources need to be held. Liz suggested that this group look brainstorming to identify priorities. We should look at what comes out of your business plans proposals, what comes out of your critical success factor proposals and PSC reports. All of this has some sort of significance in identifying priorities. NSDC agreed to a brainstorming session to discuss priority setting process be set and were invited to make suggestions through to the Secretariat by email.
    - Gail asked is it possible to consolidate the priorities and use the 2.8 million more structurally, some of these priorities can be grouped. Gail requested that the outputs table be re-written or regrouped for ease of understanding for NSDC.

#### Action

Discussions on priority listing to be held 2<sup>nd</sup> week of July

**CPPO/  
DCD**

#### 4. TOR/Administered Fund

- NSDC **noted** the concerns raised by PSC regarding the role of NSDC and the perception that it is entering into operational responsibility in relation to the administered fund and **agreed** that the management of the administered fund by NSDC should be consistent with the management approach for the NZ GFA Output 4 CSS TA. Discussion points:

- Daphne noted concerns on accountability as the primary issue. Funding going to NSDC (via OPM) directly requires NSDC to take on the responsibility of monitoring operational issues. Daphne also noted that HOM's preference was for administered funding to sit under their respective agencies and that they should directly report to MFEM to access the fund.
- Bredina acknowledged Daphne's concerns and advised that NSDC should not be getting into operational level monitoring but that its role should be similar to the role it has with the NZ GFA Output 4 TA projects process, priority setting and oversight.
- Gail noted that if donors are using our systems why isn't the CSS \$2.8m and government \$600k one fund? Bredina agreed with Gail's comment. It should be the same process, system and accountability and the operation should be left with the ministry/project manager. We need to ensure there are well developed proposals that achieve and meet those strategic outputs and outcomes.
- Lavinia suggested this be discussed at the next meeting and that Sarah Short from the NZ High Commission was very supportive of this, seeing it under one fund, as it showed Government commitment to this.
- Liz raised a question around poor performance management and what is PSC doing? She reflected that as a HOM, you are expected to identify priority areas you are going focus on during your term and if you're not achieving these in your first year, what's happening with your performance review? We have allowed it to get to this point, and now it becomes a system issue.
- Bredina noted that to be fair, some of the issues faced by HOMS are partly structural issues that limit ability to adjust and perform well and that's this fund is supposed to help address those issues. Daphne noted further there are expenditure issues that have not been addressed for a long time.
- Tapaeru asked for clarification on what does the Budget state the purpose of this administer fund under the OPM budget. Is it committed MOJ and ICI or more general, as the Minister presented this at the Budget Breakfast as MOJ and ICI. Bredina responded she will have to check what was published but had provided wording on the general purpose of the fund to support institutional strengthening but had identified as examples ICI and MOJ. Tapaeru mentioned that she was ok with this.
- Tapaeru then emphasised that it was vital that HOMS demonstrate a plan and commitment to implement actions. These agencies need to take ownership and intervention into these agencies is purely external and it's not going to work. Daphne reiterated that these agencies have gone through the business plan process, the BSG process. In terms of why they were prioritised, I understand that it was a CAC decision that was made late last year basically to show cabinet that there is something being done with these agencies in terms of improving performance. Recommendations came from staff within these agencies. Daphne went on to use MOH of an example of how they managed their own administered fund (POBOC) and recruited external people to implement changes recommended from their review (Health Management Review) to make changes to improve performance. External assistance and input was required to make the necessary changes.

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**Action**

To be discussed at the brainstorming session as mentioned under item 2

## 5. Any other business

- NSDC **noted** the update from Mii (CPPO) on the HOMs retreat and **requested** that the dates of the meeting be discussed at the HOMs meeting. Discussion points:
  - Mii advised that the dates were confirmed for 30-31 October for the HOMs Retreat, preceded by a 4 day training/workshop targeting Pa Enuua from 23-27 October (noting Gospel Day on 26 October). Mii also advised that there will be a HOM/Ministerial travel freeze at this time.
  - Gail noted that the UNESCO General Conference was set during that time and given we have a bid for Board membership, attendance is a priority. Halatoa also noted plans for a Tourism meeting with involvement of the Prime Minister is also scheduled around that time. It was therefore agreed that the dates be canvassed at the next HOMs meeting (set for 7 July).

### Action

Concept note to be circulated to NSDC once confirmed

**CPPO**

- NSDC **noted** the update from Tapaeru on the progress of the development of the Foreign Policy White Paper. Discussion points:
  - Tapaeru advised that Jim Gosselin has been assisting MFAI with this policy. MFAI target is to organise a panel discussion on the 4<sup>th</sup> August at USP. Priorities that are coming out of White Paper include security, ODA graduation, Oceans governance, Economic sectors – tourism and trade, and international engagement. It is expected that there will be a focussed and short consultation process. MFAI is very confident they will cover most of the bases, a presentation will be made to NSDC prior to 4<sup>th</sup> August. What we want to come out of the 4<sup>th</sup> August is the first cut draft.

### Action

Presentation to NSDC by 4<sup>th</sup> August on the Immigration policy

**MFAI**

- NSDC **noted** the update from Tapaeru on the DAC meeting in Paris on the Cook Islands ODA graduation that all 12 DAC countries supported an extension of time until December 2018 to produce better GNI statistics. Discussion points:
  - Commended the efforts over the last 2 months led by DCD and MFAI in engaging with Australia, NZ and the DAC committee (consists of 12 countries). It was vitally important for us to have champions in DAC (NZ and Australia) that could speak to our case and advocate on our behalf in the DAC committee. Natalie Cook (MFEM) as our representative at this meeting also provided extra support.
  - All 12 countries agreed with our position and we have been given till the end of next year to produce the statistics. Last week's meeting was a preliminary meeting, so the 10th July OECD will be the formal, deciding meeting. The challenge for us is that there is a group of South American countries also pushing or deferring graduation. It was imperative we avoided being grouped with them. For political reasons, they are unlikely to succeed with their bid. For us it is looking good, we are going to continue communicating within the government agencies.

### Action

No action required

Meeting closed at 3.19pm with prayer by Gail

**Date for next meeting:** Wednesday 26<sup>th</sup> July 2017