

MSG Sub Committee on Economic and Social Development
MSG Secretariat, Port Vila, Vanuatu
27-28 June 2011

The Melanesian Spearhead Group (MSG) Sub-Committee on Economic and Social Development was officially opened on Monday 27 June by the MSG Director General, Mr Rima Ravusiro. The purpose of the workshop was to enable experts the opportunity to provide advice on fiscal, economic, social and sustainable development issues of interest and concern to MSG members. The Economic and Social Development Sub-committee was established through a mandate of the Trade and Economic Officials Meeting in July 2009 and endorsed by Senior Officials Meeting and Foreign Ministers. The outcomes of the sub-committee's inaugural meeting held in February 2010 was tabled at the 18th MSG Leaders Summit in Fiji earlier this year.

Mr Rima Ravusiro, Director General of the Melanesian Spearhead Group welcomed participants from Papua New Guinea, Solomon Islands, Fiji, FLNKS, and Vanuatu to the two-day meeting held at the MSG Secretariat in Port Vila, Vanuatu.

In his welcoming remarks, Mr Ravusiro said participants at the meeting are being tasked to implement the Leaders decisions and advance some of the key issues facing the region through this meeting.

“You are all aware, that our region is confronted with a significant number of development challenges, both internal and external, in the form of the global economic crisis, commodity price fluctuations, climate change, adverse weather conditions and political uncertainties which have contributed to production losses, loss of government revenues, balance of payments instability, increased unemployment and incidences of poverty,” said Mr. Ravusiro.

Mr. Ravusiro said member countries must be serious about properly sequencing and implementing economic and structural reforms in order to create competitive economies.

“Social policy reforms to mitigate the effects of further trade liberalization are fundamental in ensuring that we avoid raising the incidences of poverty, and creating livelihood opportunities,” the MSG Director General said.

He pointed out that an important task for the committee at this second meeting is to continue to monitor the progress of the UN MDG's Tracking report, a key recommendation from the 18th Leaders Summit in Fiji early this year.

Mr. Ravusiro said at the recent Leaders Summit in Fiji, members were informed of the disturbing fact that most MSG members were very slow and lagging behind in implementing

almost all the MDG Goals.

“As a result, the Secretariat in consultation with members developed a brief Declaratory Statement which Leaders signed at their Summit in Fiji on 31st March,” said Mr. Ravusiro.

He said the Declaratory Statement reiterates MSG Leaders commitment towards implementing policies and strategies to expedite the achievement of the UN MDG goals and targets in the next five years.

“The onus is now for this Committee to monitor progress regularly,” Mr. Ravusiro told participants this week.

Mr Ravusiro said another issue to be discussed by the Committee is the role of shipping and aviation in Melanesia. He said movement of goods and people across MSG borders require regular shipping and aviation services that will strengthen MSG regional trade and economic cooperation.

“It is fundamental in strengthening our MSG Trade agreement, and achieving our MSG Leaders vision of Closer Economic Relations, and the possible creation of a common market,” said Mr. Ravusiro.

The MSG Sub-Committee on Economic and Social Development received the outcomes of a study on the Fiscal Impact of Pacer Plus by Consultant Mr Andreas Lendle, a study on the principles and possible measures for improving fiscal management in the MSG by Mr. Matt Davis of the Pacific Finance Technical Assistance Centre and Mr. Lai Tora of the Asian Development Bank, and a presentation on a proposed water and sanitation in Melanesia project and deep sea mining by Mr. Marc Wilson of SOPAC.

The outcomes of the second MSG Sub-Committee on Economic and Social Development meeting will be tabled at the Trade and Economic Officials Meeting to be held at the MSG Secretariat on 29 to 30 June 2011.

Authorized by Director General