Outcome of the Special Melanesian Spearhead Group (MSG) Leaders Meeting

Westin Denarau Islands Resort and Spa, Nadi, Republic of Fiji Islands

22 October 2006

1. OPENING FORMALITIES AND AGREEMENT ON PROCEDURES

The MSG Leaders Summit was held at the Westin Denarau Island Resort & Spa in Nadi, Fiji on 22 October 2006 and was attended by the Prime Ministers of Fiji, Papua New Guinea (PNG), Solomon Islands and Vanuatu.

The meeting was chaired by the Rt. Hon. Grand Chief Sir Michael Somare, Prime Minister and Minister for Foreign Affairs & Trade of Papua New Guinea.

The meeting commenced with an opening prayer by H.E Mr Bernard Bata'anisia, Solomon Islands High Commissioner to PNG.

In his opening remarks, the Chair thanked the Government of Fiji for taking the initiative to organize the meeting and likewise, the delegations from PNG, Solomon Islands and Vanuatu also expressed their appreciation to the Government of Fiji. A copy of the Chair's statement is attached as annex I.

The meeting then adopted the Agenda as presented. A copy is attached as annex II.

2. PROGRESS REPORTS

I) Update since the 17th MSG Leaders Meeting, Port Moresby, PNG, 27th October 2005

The meeting noted the progress report since the 17th MSG Leaders Summit held in Port Moresby on 27th October 2005 at the margins of the 36th Pacific Islands Forum (PIF). PNG as Chair, reported to the meeting that:

 The MSG organizational structure remains as approved by Leaders and the Interim Secretariat advertised the positions of the Legal Officer and Economic Planning Officer positions in September 2006.

Ch of

- Candidates for this position have been short-listed and will be interviewed as of end of October 2006.
- The Interim Secretariat engaged a legal officer to draft the Agreement Establishing the MSG and the draft was considered at the 17th MSG SOM held in Buala, Solomon Islands in July 2006.
- The draft was then finalised at the 3rd MSG Special SOM held on 30 September 2006 in Suva, Fiji after further input from member countries.
- The revised Trade Agreement has not yet entered into force as members have yet to Exchange Notes to allow it to take legal effect.

II) Report on MSG Foreign Ministers Mission to Solomon Islands, 9-11 May 2006

The meeting noted the detailed report presented by PNG as Chair and leader of the MSG Mission to Solomon Islands. *A copy is attached as annex III.*

The MSG Mission was led by the Rt. Hon Sir Rabbie L Namaliu Minister of Foreign Affairs and Immigration of Papua New Guinea, and included the Hon. Sato Kilman Deputy Prime Minister and Minister of Foreign Affairs of the Republic of Vanuatu and Mr Isikeli Mataitoga, the Chief Executive Officer of the Ministry of Foreign Affairs and External Trade of the Republic of Fiji Islands. The latter attended in place of the Minister for Foreign Affairs and External Trade because the government in Fiji was preparing for general elections at the time of the mission.

In brief, the Mission was an MSG initiative in response to the civil disturbances in Honiara on 18th, 19th and 20th April 2006, and was primarily intended to achieve three main objectives to:-

(i) Demonstrate to the people of the Solomon Islands that the Melanesian Spearhead Group of Countries were concerned about the welfare of the people of the Solomon Islands in the aftermath of the recent political developments that led to riots, burning and lootings following the election by the National Parliament of a new Prime Minister for Solomon Islands on 18th April 2006, dubbed as "Black Tuesday", as well as to understand the underlying causes, especially targeted against business houses and shops owned largely by ethnic Chinese including those who had acquired Solomon Islands citizenship.

nv A

- (ii) Show the MSG countries full support and solidarity to the people of the Solomon Islands and to offer advise to the newly elected Prime Minister, Hon Manasseh Sogavare and his Government and elected Members of the National Parliament, to ensure a speedy return to normalcy of the country with the support of the Regional Assistance Mission to the Solomon Islands (RAMSI).
- (iii) Enable the MSG Foreign Ministers to assess at first hand the actual situation on the ground in Honiara and report back to the MSG Leaders on the causes of problems and an assessment a recovery package with practical recommendations on possible way forward for democracy and good governance, and re-building political, economic and social welfare and life for the people of the Solomon Islands.

III) Outcome of MSG Senior Officials Missions to Solomon Islands and Australia, 25-27 September and 6 October 2006

The meeting noted the report presented by the leader of the MSG Senior Officials Mission, Mr Gabriel Pepson, Secretary of Foreign Affairs & Trade of PNG, on the progress of the mission to Honiara on 25-27 September 2006 and to Canberra, Australia on the 6 October 2006. Mr Pepson reported that a number of meetings were held in Honiara including two meetings with the Hon. Prime Minister, the Minister of Foreign Affairs and Trade, the Leader of Opposition, Speaker of Parliament, church representatives and the RAMSI Coordinator. He further stated that the RAMSI coordinator was of the view that RAMSI must remain impartial when undertaking its mandate in the Solomon Islands.

The meeting noted that the RAMSI operation in Honiara is a regional initiative and must be distinguished from the bilateral issues affecting the Solomon Islands and Australia.

The Chair further stated that Australia opposes the Commission of Inquiry in so far as this impacts the judicial process of the Solomon Islands Government.

The leader of the special MSG SOM informed that Australia welcomed the proposal by Solomon Islands to remove from the TOR references the two jailed MPs and the liberty given to its Chair to further review the TOR

The MSG Special Mission Team also reported that the Solomon Islands prefers a region-wide RAMSI consultation rather than focusing on the Solomon–Australia conflict. This proposal was also acceptable to Australia.

A Sh

IV) Outcome of the Special MSG Foreign Ministers Meeting (FMM), Nadi, Fiji, 20 October 2006

The meeting noted the Outcome of the Special MSG Foreign Ministers Meeting held in Nadi, Fiji on 20 October 2006 as presented by the Vice Minister for Foreign Affairs & Trade of PNG, Hon. Conrad Haoda as Chair of the MSG FMM. *A copy of the Outcome is attached as annex IV.*

Vice Minister Haoda informed the meeting that the MSG Special Foreign Ministers Meeting was convened in Fiji, Nadi as agreed to at their 6th MSG FMM in Port Vila, Vanuatu in March 2006.

At the Nadi meeting, the FMM considered progress reports on the:

- (i) 6th MSG Foreign Ministers Meeting (FMM) held in Port Vila, Vanuatu from 15-16 March 2006;
- (ii) 3rd MSG Special Senior Officials Meeting (SOM), Suva, Fiji, 30 September 2006; and
- (iii) MSG Senior Officials Missions to Solomon Islands and Australia, 25-27 September and 6 October 2006

The Ministers also deliberated on political and security issues affecting the MSG, trade and economic issues, secretariat issues including staff matters, the budget and the MSG Agreement, social and cultural issues, particularly on the Outcome of the 3rd Melanesian Arts Festival, regional issues on the Forum Secretariat Secretary General post and the recent raid by the RAMSI police on the premises of the Prime Minister's Office where certain equipment was seized.

The meeting strongly noted with serious concern a brief presented by the Prime Minister of Solomon Islands regarding the recent events of 20 October where the Prime Minister's office was raided by the Participating Police Force (PPF) Officers serving under the Regional Assistance Mission to Solomon Islands (RAMSI). *The brief is attached as annex V.*

The leaders expressed their dissatisfaction at Australia's actions as a strong signal to them that leaders of the region must be respected and treated with dignity in line with the United Nations principles of sovereignty and respect. They agreed to issue a joint press statement on this issue. A copy is attached as annex VI.

The meeting tasked the Foreign Ministers to discuss a way forward on this matter and to report back to the Leaders by 23rd October 2006.

A & Sh

The meeting also expressed its appreciation for work done so far on the revised Trade Agreement as all countries have huge potential for developing their resources and with the largest population base in the region, trade will make a huge difference to the lives of the people of Melanesia. Members were urged to complete the process of exchange of notes to allow the agreement to enter into force.

The meeting acknowledged the successful hosting of the 3rd Melanesian Arts Festival by Fiji.

Special mention was made by Vanuatu for assistance given by the host for the repatriation of one of its participants who passed away during the Opening Ceremony of the festival.

3. SECRETARIAT ISSUES

I) Developments and Contributions

The Officer-In-Charge (OIC) of the Interim Secretariat reported on issues discussed at the Senior Officials Meeting (SOM) level in relation to establishment of the Secretariat. He reported on a Duty Statement of the MSG Director General post prepared by Fiji.

In relation to the short-listing and interview of the candidates for the MSG Legal Officer post and the Economic Planning Officer post, the meeting was informed that the interviews would begin on Tuesday, 24 October 2006 for those candidates who are currently in the country.

The Secretariat informed the meeting on the outcome of the SOM and reported that a Sub-Committee on Budget and Administration, to be chaired by PNG, has been appointed and comprises representatives from each country. The Sub-Committee has been mandated to look into the budget and administration issues of the Secretariat before the signing of the legal text.

II) MSG Agreement

The meeting noted that much work has already been done on the MSG Constitution.

The Secretariat informed the meeting that Fiji had expressed apologies for the deferment of the signing of the MSG Agreement and explained that this was due to the need to include additional provisions on Good Governance, Sustainable development and the rule of law to conform to the international funding guidelines and conditions and enhance the marketability of the agreement to the development partners.

a garage

The meeting also noted a proposal by Vanuatu for an amendment to article 3 relating to the inclusion of French as one of the two working languages of the MSG.

The meeting agreed that the signing of the constitution would be deferred, pending the consideration of the proposal from Fiji. This new amendment by Fiji will be included in the current draft legal text after endorsement by members. The meeting also agreed that the signing would be held in Port Vila, Vanuatu in November 2006, preferably by the Leaders.

4. REGIONAL ISSUES

Forum Secretariat Secretary-General Post

The meeting noted that in the absence of a MSG candidate for the post of the Secretary General of the Forum Secretariat and in light of the changing environment in the region, MSG leaders agreed to Fiji's proposal that MSG should rather be strategic in its approach and target the more relevant proposed positions other than the Secretary General. These positions would include the Change Manager for the RIF Reviews Trade Negotiator for PACER and the Director General of the proposed Pacific Community.

5. OTHER MATTERS

Country Initiative on RAMSI by Solomon Islands at the 37th PIF

The meeting acknowledged the briefing by Solomon Islands that it would be presenting a Country Initiative Paper on RAMSI to the Forum leaders meeting. The paper will include five (5) proposals on RAMSI. These are:

- (i) Restoration of the regional character of RAMSI
- (ii) Establishment of a Forum Ministerial team to oversee RAMSI operations
- (iii) An Independent Review of RAMSI
- (iv) Review of RAMSI
- (v) Clear demarcation between RAMSI and Australia

The meeting further agreed to elevate the status of the proposed Forum representative in Solomon Islands to the level of a Special Envoy.

A B H-1

6. DATE & VENUE FOR THE NEXT MEETING

The next Meeting will be held in Port Vila, Vanuatu in September/October, 2006. The dates will be later confirmed by the Vanuatu Government.

For the Republic of Fiji Islands

For the Independent State of Papua New Guinea

For Solomon Islands

For the Republic of Vanuatu

Ch &