

18TH MELANESIAN SPEARHEAD GROUP (MSG) LEADERS' SUMMIT
VALE-NI-BOSE, BLV COMPLEX
SUVA, FIJI

31ST MARCH, 2011

COMMUNIQUE

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1. The 18th Melanesian Spearhead Group (MSG) Leaders Summit was held in Suva, Fiji on 31st March 2011.
 2. The Official Opening of the Summit was held at the Vale ni Bose, BLV Complex and included a Guard of Honour followed by a traditional ceremony of welcome 'Veiqaraqaravi Vakavanua'. The Leaders then convened for the plenary at the Vale ni Bose. The Leaders' Retreat was held at Borron House.
 3. The Summit was chaired by the Prime Minister of Fiji, Commodore Josaia Voreqe Bainimarama. MSG Leaders in attendance included the Prime Minister of Vanuatu, Hon. Meltek Sato Kilman Livtuvanu MP; the Minister for Foreign Affairs, Trade & Immigration of Papua New Guinea (PNG), Hon. Don Pomb Polye MP; Minister for Foreign Affairs of Solomon Islands, Hon. Peter Shanel Agovaka MP; Mr Charles Washetine, Official representative of the Front de Liberation Nationale Kanak Socialiste (FLNKS), who deputized on behalf of the Official Spokesperson of the FLNKS; and Mr. Filipe Bole, Leader of the Fiji delegation and Minister for Education, National Heritage, Culture and Arts, Youth and Sports, Labour, Industrial Relations and Employment of Fiji. The Opening Statements by the Chair and Leaders are appended.
 4. Also attending were the Chairman of the MSG Foreign Ministers Meeting (FMM) and Minister for Foreign Affairs & International Cooperation of Fiji, Ratu Inoke Kubuabola, Minister for Foreign Affairs and External Trade of Vanuatu, Hon. George Wells MP, MSG Heads of Missions based in Fiji, PNG and Solomon Islands and the Director General of the MSG Secretariat, Mr Rima Ravusiro.
 5. Leaders welcomed the admission of the Government of the Democratic Republic of Timor-Leste and the Government of the Republic of Indonesia as Observers to the MSG. The representatives of the governments of East Timor and Indonesia addressed the meeting.

6. Leaders also welcomed the Grand Duchy of Luxembourg as a Special Guest to the 18th MSG Leaders Summit. The representative of Luxembourg addressed the meeting.

7. The Leaders considered and endorsed the following:

(I) Report by the Director General on the Secretariat's Activities

8. As required under article 17(3) (b), of the Agreement Establishing the MSG, the Director General presented the Secretariat's 2008-2010 Report to the Leaders for their consideration and approval.

9. As required under article 9 (6) (a) of the Agreement Establishing the MSG, the Leaders considered and subsequently adopted the Director General's Report.

(II) Report by the Chair of the MSG 8th Foreign Affairs Ministers Meeting (FMM)

10. As required under article 9 (6) (a) of the Agreement Establishing the MSG, the Leaders considered and adopted the Outcome of the 8th Foreign Minister's Meeting Report as follows:

A) Political and Security Issues

Participatory Rights and Obligations of Observers

11. In considering the additional "Participatory Rights and Obligations of Observers", the Leaders endorsed the additional participatory rights and obligations for Observers' participation at future meetings, a copy of which is attached as **annex I**.

12. The Leaders also noted that FMM requested the Secretariat to further develop procedures and criteria in assessing applications for observership for consideration by the Special Senior Officials Meeting of June/July 2011.

Report on the MSG Mission to New Caledonia

13. In considering the FMM Chair's report on the MSG Mission to New Caledonia that took place on 8-11 June 2010, the Leaders:

- a) **Noted** the FLNKS report on Outcome of the meeting of the Signatories to the Noumea Accord held in Paris, France on 24-25 June 2010;
- b) **Agreed to formally** request the FLNKS to:
 - i. Provide some statistics on specialist and qualified Kanaks that have been educated in tertiary institutions since the signing of the Noumea Accord;

- ii. Provide some statistics on the economic and social indicators to enable identification of existing imbalances between the Kanaks and the non-Kanaks;
 - iii. Provide additional information on 70% of the “1000 Managers of Tomorrow” that have been trained, their background and area of expertise;
 - iv. Provide additional information on funding arrangements for the Customary Senate;
- c) **Agreed** that the MSG in consultation with parties concerned recommend to the United Nations (UN) Decolonization Committee (C24) that the MSG complement the work of the C24 through annual monitoring and assessing of the Noumea Accord;
- d) **Agreed** that through a formal request from the FLNKS, the MSG members to provide assistance in the process of reconciliation between the Kanak communities and other populations;
- e) **Agreed** that through formal request from the FLNKS, the MSG members to consider providing assistance to the Kanak in specific areas of interest. These could include:
 - i. Specialist training for the Kanak people;
 - ii. Provision of scholarships for the Kanak students;
 - iii. Job attachments in member countries for the Kanak people;
 - iv. The Secretariat to seek further assistance from Specialised United Nations Agencies in areas of social development, governance, capacity building, health services, environmental management and disaster preparedness.
- f) **Agreed** that members consider inviting the FLNKS and the Kanak people to member countries to observe the political, economic and social structures that exist within member countries and obtain first hand briefings on the political process in the member countries; and
- g) **Agreed** that based on the understanding reached with the UN Decolonization, (as recommended under (c)), endorse the regular monitoring and assessment of the Noumea Accord by MSG Foreign Ministers and Senior Officials.

14. The Leaders also **noted** that the:

- (i) UN-based MSG Ambassadors would be requested to be involved in consultations with the Decolonization Committee (C24) on the issue of New Caledonia;

- (ii) Secretariat would be liaising with FLNKS and would inform members on possible dates for the MSG Mission to visit New Caledonia in late 2011; and
- (iii) Secretariat would be providing a time line on how to progress the implementation of recommendations in paragraph 11.

Update on the situation in Fiji

15. Leaders **noted** an update on the situation in Fiji and **recognized** that the People's Charter for Change, the Roadmap for Democracy and the Sustainable Socio-Economic Development and the accompanying reform agenda are credible **home-grown** development agenda for Fiji.

16. Leaders **agreed** to take up to the Forum Leaders and the Commonwealth Heads of Government Meeting and their respective Secretariat the need to remain engaged with Fiji in the effort to implement the Strategic Framework for Change and the Roadmap to return Fiji to genuinely democratic elections in September 2014.

MSG Formed Police Unit (FPU)

17. In considering the FMM Chair's Report on the Establishment of the MSG Formed Police Unit (FPU), Leaders **approved** in principle, the establishment of the MSG FPU.

Regional Police Academy

18. In considering the FMM Chair's Report on the Establishment of the Regional Police Academy, Leaders **approved** the establishment of the Regional Police Academy.

Pacific Islands Chiefs of Police Meeting (PICPM)

19. The Leaders **agreed** to support Fiji's participation at the next Pacific Islands Chiefs of Police Meeting (PICPM) in the Republic of Marshall Islands (RMI) in August.

B) Trade & Economic Issues

MSG Trade Agreement (TA) Study

20. In considering the FMM Chair's report on the findings and recommendations of the Study on the Implementation of the MSG Trade Agreement and Roadmap for Future Integration, the Leaders **endorsed**:

- (i) a broad vision on the future MSG Economic Integration:

- a) involving in the long term, to work towards a vision of Closer Economic Relations involving the possible creation of a common market through the expansion of the MSGTA into services and labour mobility;
- b) in 2012, to undertake a more detailed analysis of strengthening the existing FTA and moving towards a customs union and common market concepts including their pace and scope and report back at the next Summit; and
- c) to commence work immediately on strengthening the current MSGTA through improving its implementation, addressing the inconsistencies with other trade agreements, review of the MSGTA legal text (including MFN, dispute settlement provisions) and the MSGTA architecture to provide for its future expansion into trade in services, labour mobility and other issues.

MSG Trade in Services (TIS) and draft framework on MSG Labour Mobility Scheme

21. In considering the recommendations of the FMM on the approach, architecture, and guiding principles of the TIS and Labour Mobility, the Leaders **endorsed:**

- (i) That the MSG Trade in Services (TIS) agreement and MSG Labour Mobility Scheme be pursued on a two-track approach with Labour Mobility on fast track and TIS on the slow track;
- (ii) That the Labour Mobility Scheme be pursued initially with a flexible approach through a Memorandum of Understanding (MOU) with a view to developing a binding agreement in future, in parallel with TIS;
- (iii) The Draft MOU on the MSG Skills Movement Scheme as the basis for negotiations amongst members;

Update on EPA Negotiations, Interim EPA and MSG AfT Proposal

22. The Leaders noted the current status of the comprehensive EPA negotiations including a timeline approved by the PACP Trade Ministers at their February 2011 meeting in Apia to conclude the negotiations in 2011 and:

- (i) **Agreed** to endorse that an analysis/opinion of the European Parliament's resolution on the interim EPA be conducted to assess its implications on the MSG, including the certainty of the current global sourcing rule on processed fish and its extension to fresh fish (HS 0304/0305) being included in the comprehensive EPA; and
- (ii) **Further agreed** that the report of the analysis/opinion in (a) above be ready for the MSG Trade Officials' and Ministers' consideration before the PACPTMM in July 2011.

Fiji's participation in EPA and PACP Meetings

23. The Leaders noted the support by all MSG members on Fiji's participation in all EPA meetings which also followed the strong support by PACP states at the Apia PACP Trade Ministers' meeting and **agreed**:

- (i) to recognize that membership of the PACP was determined by one's, membership to the ACP and by virtue of being a signatory to the Georgetown and Cotonou Agreements;
- (ii) that Fiji's Officials/Ministers and Leader be part of all future PACP meetings and forums, including the next PACP Leaders' Meeting, scheduled for 2nd September 2011; and
- (iii) to seriously consider and pursue the change in the location and management of EPA negotiations if Fiji continues to be excluded from PACP Meetings and PACP-related forums.

Enhancing Kava Trade Internationally

24. In considering the importance of this issue to Vanuatu, Fiji and recently Solomon Islands which has begun to export kava, the Leaders **endorsed** the strategy for enhancing kava trade, attached as **annex II**.

Update on Vanuatu WTO Accession

25. The Leaders **noted** an update from Vanuatu on the progress of its accession to the WTO in 2011.

Regional Trade Development Adviser

26. In considering the FMM Chair's report on the Regional Trade Development Adviser which involved the establishment of a project position to complement the staff strength of the Trade and Investment Division of the Secretariat, the Leaders **noted** that the proposal for the Regional Trade Development Adviser (RTDA) position had been approved by the FMM.

Outcomes of the Fisheries Technical Advisory Committee Meeting (FTAC)

27. In considering the FMM Chair's Report on the Outcomes of the Fisheries Technical Advisory Committee Meeting (FTAC), the Leaders **endorsed** the:

- (i) outcomes of the first MSG Fisheries Technical Advisory Committee (FTAC) Meeting held on 15-16 February 2010; and
- (ii) FTAC focuses on priorities such as coastal and aquaculture fisheries management and development of downstream processing of fishery products.

Establishment of the MSG Trade Ministers Meeting (MTMM)

28. In view of the range of trade issues pursued by the MSG and the need to legitimize the decisions relating to trade interests of members, Leaders **approved** the convening of the MSG Trade Ministers Meeting (MTMM) as and when required;

Establishment of the MSG Finance Ministers Meeting

29. In view of emerging issues such as fiscal account imbalances, increases in public debt and contingent liabilities, effective fiscal policy responses to the global financial crisis, fiscal mitigation measures against climate change and adverse weather conditions including potential for Ministers to deliberate on investment initiatives, Leaders **approved** the convening of the MSG Finance Ministers Meeting as and when required.

C) Social and Cultural Issues

Outcomes of the Economic and Social Development Sub-Committee Meeting

30. In considering the FMM Chair's report on the Outcomes of the first MSG Sub-committee on Economic and Social Development meeting held on 15-16 February 2010, the Leaders:

- (i) **noted** the Outcomes of the MSG Sub-committee on Economic and Social Development meeting held on 15-16 February 2010;
- (ii) **agreed** that the proposed Terms of Reference for the Sub-committee on the Economic and Social Development be referred to members for national consultations and to be submitted to the next TEOM; and
- (iii) **endorsed** the revised Declaratory Statement on the Implementation of the United Nations (UN) Millennium Development Goals (MDGs) 2011-2015 for signature.

4th Melanesian Arts Festival

31. Leaders noted FMM Chair's report on the 4th Melanesian Arts Festival that was hosted by New Caledonia on 12-24 September 2010 and organized by COFAM with the theme "**Melanesia 21st: Our Identity Lies Ahead of Us**". This was a famous quote by the late Kanaky leader Jean-Marie Tjibaou. The promotion of the Kanaky culture, both in its traditional and contemporary dimensions and the showcasing of New Caledonia's unique cultural diversity was visible throughout the event. The event attracted around 26,000 people with the uniqueness of Melanesia as having a diverse and rich culture, tradition and values extensively displayed during the event.

32. Leaders:

- (i) **Noted** the Report of the Melanesian Arts Festival held in New Caledonia on 12-24 September 2010;
- (ii) **Expressed gratitude** to the FLNKS for their successful hosting of the 4th Melanesian Arts Festival in New Caledonia;

- (iii) **Reaffirmed** MSG's commitment to preserve, promote, safeguard and protect Melanesian traditional cultural identity, customs and values; and
- (iv) **Agreed** to support the people of Kanaky origin in regards to the revival, preservation, protection and promotion of ownership of their cultural identity, traditional knowledge and expressions of culture, values, and customs.

MSG framework Treaty on the Protection of Traditional Knowledge and Expressions of Culture

33. Leaders **agreed** in principle to the proposed MSG Framework Treaty on the Protection of Traditional Knowledge and Expressions of Culture, pending decisions by members on the signing of the Treaty.

Alternative Indicators of Wellbeing for Melanesia Project

34. In considering the FMM Chair's Report on a paper prepared by Vanuatu on the alternative indicators of well-being for Melanesia Project meeting held on 17-18 June 2010 in Vanuatu, the Leaders:

- (i) **noted** the completion and Outcomes of the first stakeholder meeting of the Alternative Indicators of Well-Being Project; and
- (ii) **endorsed** the next phase of the project, which in general is: to define and specify those indicators of well-being not currently measured; data collection, processing, analysis, and reporting, and; to disseminate the information and begin policy dialogue.

D) Sports

Melanesian Games

35. In considering the FMM Chair's Report on the concept of the Melanesian Games, the Leaders **noted** the establishment of the *Sub-Committee on Sports* to coordinate all sporting policies and issues for the MSG, including the facilitation and monitoring of the organization of the first Melanesia Games.

E) Secretariat Operational Issues

- a) **Strategic Plan 2011-2015**
- b) **Corporate Plan 2011**

36. Leaders **noted** that the FMM had endorsed the Secretariat's **Strategic Plan 2011-2015 & Corporate Plan 2011**.

Financial Regulations 2011

37. The Leaders **approved** the Financial Regulations 2011 for signature.

E) Other Issues

MSG Candidates for Regional Posts

38. Leaders **agreed** to nominate a candidate from Melanesia for the position of Secretary General to the Pacific Islands Forum (PIF) Secretariat at the PIF Leaders Meeting in New Zealand later this year.

Condolence messages

39. Leaders expressed their sincere condolences to the Governments of Japan, Australia and New Zealand for the recent tragedies that have been caused by natural disasters.

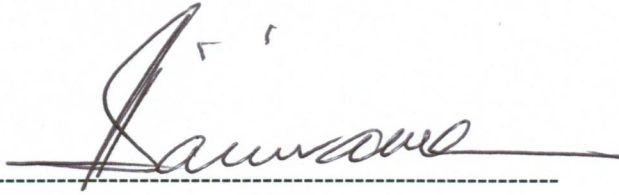
III. Acknowledgement

40. The Leaders thanked the Government and people of Fiji for hosting the 18th MSG Leaders Summit and related meetings and for their warm hospitality.

G. Date and venue of the next meeting

41. Leaders endorsed the offer by the FLNKS to host the next MSG Leaders' Summit in 2013.

*Vale-ni-Bose Complex
Suva, Fiji
31 March 2011*



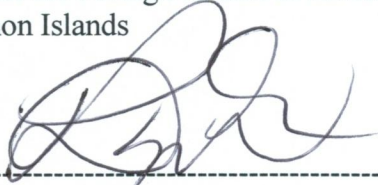
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Chair of MSG &
Prime Minister
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