

COOK ISLANDS – NEW ZEALAND – AUSTRALIA
TRIPARTITE DEVELOPMENT CONSULTATIONS

RAROTONGA, COOK ISLANDS
19 APRIL 2005

RECORD OF OUTCOMES

1. Introduction

Representatives of the Governments of Cook Islands, New Zealand, and Australia met in Rarotonga on 19 April 2005 for the inaugural Tripartite Development Consultations on Australia and New Zealand's development cooperation programme with the Cook Islands. The Consultations build on the bilateral high level aid talks undertaken previously.

The Agenda for the meeting, the 2005-2008 indicative Forward Aid Programme, and the list of delegates are included as Attachments A, B, and C.

The following record summarizes the context, objectives, and strategies agreed for the Australian and New Zealand development cooperation programmes with the Cook Islands.

2. Opening Remarks

The Cook Islands Head welcomed both New Zealand and Australian representatives to the Cook Islands. The country is looking forward to the outcomes of the consultations. The overarching aim of the Cook Islands Partnership government is to provide its people long term economic growth, and to ensure the benefits of growth shared equitably throughout the country, in harmony with the culture and environment.

3. NZAID and AusAID Update

New Zealand outlined key organisational and policy developments in NZAID. After almost three years in existence the new agency has key policies in place, copies of which were left for the Cook Islands government. The Government has made poverty elimination a central focus of its development efforts in the Pacific region. Aid effectiveness through donor harmonisation is used as a means for reducing the burden of aid management. New Zealand expressed the importance of addressing vulnerability and building resilience to natural disasters as a core component of disaster management and mitigation within the region.

Australia informed the meeting of its strengthened commitment to assisting the countries of the Pacific as outlined in the AusAID Pacific Regional Strategy 2004-2009. Key objectives are stronger broad based growth; more effective, accountable and democratic government; improved law and justice and security; and enhanced service delivery. Australia expressed interest in the progress of the Pacific Plan, specifically regional support to national governments. The delegation provided copies of the 2005 ministerial statement on aid and development, and announced the production of a White Paper that would examine the future direction of Australia's aid

program, including engagement with key Pacific development partners. The White Paper will be presented to the Australian Parliament in March 2006.

4. Cook Islands Government Update

The Cook Islands stated that the economy continues to experience steady growth.

The Cook Islands expressed signs of optimism in the economic outlook for 2005/2006 and beyond. However, damage related to the cyclones, and relief and recovery activities, are expected to impact on growth patterns on the third quarter of this financial year. Growth is expected to resume in the June quarter and to accelerate throughout 2006 as the full effects of the inbound international flights, and construction activities flow through.

Assessment of NZAID and AusAID programme

Overall assessment is of good progress with special attention required to improve implementation of Outer Islands Development projects.

Although the joint programme is working well, national elections, tropical cyclones, and issues related to Outer Islands Development have hindered project implementation. The projects are the Mangaia Harbour, Rarotonga Avatiu Harbour, Aitutaki Recycling Centre, Aitutaki Hospital Refurbishment, Penrhyn runway feasibility study, and the Aitutaki power supply feasibility study. In March 2005 the Cook Islands cabinet endorsed a priority list of projects to commit funds to this area.

Despite the predicted under spend in the programme it was acknowledged that this current financial year has been about improving the performance of the programme as a whole through various measures such as Funding Arrangements, OID Infrastructure Agreement. Gains are expected to be seen in the medium and long term.

5. Cyclone Recovery and Emergency Response

The Cook Islands expressed appreciation to the New Zealand and Australian governments for their early response and generosity in relation to the recent tropical cyclones. The Cook Islands stated that the cyclones showed the need for preparedness and requested assistance in the recovery process. In order to facilitate this process the Cook Islands has undertaken to complete the Cyclone Recovery Plan. New Zealand has offered to provide significant financial assistance over 3 years as cyclone reconstruction assistance. The scope of that assistance will be jointly determined once the Cyclone Recovery Plan is completed by the Cook Islands.

Furthermore in light of the recent cyclones, delegates gave Agreement in Principle for a variation to the Tripartite Donor Harmonisation Agreement to specifically cover emergency situations in the future. Under this variation, NZAID would manage and implement AusAID contributions for humanitarian and emergency assistance to the Cook Islands.

6. Donor Harmonisation Pilot

The Cook Islands stated that as the Harmonised Programme has only been in operation since September 2004, it is too premature to comment on its progress in detail. However the Cook Islands noted gains such as improved information exchange and communications with donors.

AusAID will undertake the task to source and fund technical assistance to review the harmonisation monitoring and evaluation framework tabled at the February 2005 stocktake. The parties agreed that the framework needs to be simple and useful. The final document will be agreed by the parties at the stocktake talks in August 2005. An extension of the Donor Harmonisation Arrangement to June 2007 was agreed.

A general discussion was held on donor coordination at which its importance was acknowledged by all delegations. The Cook Islands are considering the most suitable arrangements to implement donor coordination.

7. Future Planning and Strategy

It was agreed that the 2006-2011 NZAID/AusAID Cook Islands Country Strategy needs to be consistent with the Cook Islands National Development Plan. The first Cook Islands National Development Plan is expected to be 3-5 years in scope. A first draft will be ready within 12 months.

It was agreed to extend the term of the current Country Strategy as the Strategy is still relevant, and will allow the new NZAID/AusAID Cook Islands Country Strategy to be aligned to the Cook Islands National Development Plan.

8. Programming Approaches

A general discussion on programming approaches highlighted that the move away from individual projects to wider programme foci improved aid effectiveness. The current work in education, outer islands infrastructure, and marine were highlighted as good examples. All parties agreed the discussion on sector wide approaches and institutional strengthening was important in gaining a greater understanding of those approaches and steps towards using them more in the Cook Islands programme.

9. Forward Aid Programme

The indicative Forward Aid Programme 2005/2006 – 2008/2009 was agreed by all parties with minor adjustments.

The Cook Islands referred to the continuing depopulation problem in country. Overall support was given to progressing the migration study and its importance in developing the Cook Islands Strategy was emphasised. The Cook Islands supported NZAID's suggestion that a focus group of international consultants, academics, and universities would be involved in conducting the study.

There was specific support for the Marine Institutional Strengthening Project (MISP) to proceed subject to revisions to the PDD by the end of the month. Additional priorities highlighted by the Cook Islands, for institutional strengthening included law and order, and public sector reform.

All parties agreed to continue to work on the OID Development Partnership Arrangement. Consultation with local governments is currently taking place and it is envisaged that the document will be ready for signing at the end of May 2005.

The Scholarships and Awards Funding Arrangement will be ready for signing at end of May 2005.

10. Other Matters

The parties agreed to the following dates:

Item	Date
1. Programme Stocktake Talks	August 2005
2. Harmonisation Monitoring and Evaluation Framework	August 2005
3. Programme Stocktake Talks	February 2006
4. Programme Stocktake Talks	August 2006
5. Tripartite High Level Talks	February 2007
6. NZAID Cook Islands Country Strategy extended until	June 2007
7. Tripartite Arrangement extended until	June 2007

11. Closing remarks

The Leaders of the Delegation agreed that the first Tripartite Talks between partners were frank, open and productive. Everyone looked forward to the next Tripartite Talks to be held in February 2007.

Dated: 20 April 2005, Rarotonga, Cook Islands

Vaine Wichman, MP
Parliamentary Secretary
Minister of Finance
COOK ISLANDS

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HE Kurt Meyer
New Zealand High Commissioner
NEW ZEALAND

.....

Sue Kelly
Director of Pacific Regional Organisations
AusAID
AUSTRALIA

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ATTACHMENT A

AGENDA

Cook Islands / New Zealand /Australia High Level Consultations RAROTONGA, 19 APRIL 2005

- 1 **Introduction**
- 2 **Opening Remarks:**
 - **Cook Islands** – Head of Delegation, CIGOV, Vaine Wichman
 - **New Zealand** - Head of Delegation, NZAID, Kurt Meyer
 - **Australia** - Head of Delegation, AusAID, Sue Kelly
- 3 **Adoption Of Agenda**
- 4 **Year in Review**
 - 4.1 **Cook Islands Government Update (CIGOV)**
 - Brief overview of the current economic situation
 - Directions of new government – priorities for NZAID/AusAID programme
 - Assessment of how the NZAID/AusAID programme is going
 - Performance of delivery of programme
 - Constraints hampering delivery
 - 4.2 **NZAID Update (NZAID)**
 - Overview of NZAID policies and principles
 - NZAID policies and directions
 - 4.3 **AusAID Update (AusAID)**
 - Overview of AusAID policies and future directions
 - Assessment of how the jointly funded programme is going
- 5 **Cyclone Recovery and Emergency response**
 - Reconstruction needs in the wake of this year's numerous cyclones (CIGOV lead)
 - Cyclone Recovery Fund (NZAID lead)
 - Joint emergency response in the future (AusAID lead)
- 6 **Donor Harmonisation Pilot – effectiveness and evaluation**
 - CIGOV update on how it is working (CIGOV lead)
 - Agreement on monitoring and evaluation objectives/performance measures (AusAID lead)
 - Process for undertaking review (NZAID lead)
 - Donor coordination with other donors, other sectors

7 NZAID Programming Approaches

- NZAID Aid Delivery and Modalities
- Sector wide approaches
- Institutional Strengthening Projects
- Funding Arrangements
- Programme Management
- Programme development
- (discussion on process to consider new initiatives to develop the programme)

8 Sector Discussions

8.1 Outer Islands Development

- Development Partnership Agreement for Outer Islands Infrastructure

8.2 Education and Training

- Strategic Plan and sector funding
- Arrangement on Scholarships and Awards for strengthening Human Resource Development

8.3 Marine Resources

- Next steps – follow up to the design stage of the Marine Resources Institutional Strengthening Project

9 Future Planning and Strategy

- Update on Cook Islands National Development Plan and related activities/studies (CIGOV lead)
- NZAID/AusAID CI Country Strategy July 2006-June 2011 (NZAID lead)

10 Forward Aid Programme Indicative Allocations 2005-08

- Sign off on indicative allocations – **attachment 6**

11 Other Matters

- Agreement On Dates, Process and Format For Next Tripartite H/L Talks
- Process for completing Agreed Record of meeting

12 Closing Remarks

Attachment B – Indicative allocation 2005/06 (FAP)

DRAFT NZAID COOK ISLANDS FORWARD AID PROGRAMME (NZ\$000)				
	2004/05	2005/06	2006/07	2007/08
Notes:				
Allocations are indicative only and can be amended based on progress.				
Shaded lines are existing (or near completed) commitments (contracts, funding arrangements etc)				
FAP is based on an appropriation of \$8.25m but provides a forward plan for the next year (plus two outyears).				
If further funds are required, this will be managed in the normal way under multi-year appropriations and expenditure control.				
STRENGTHENING GOVERNANCE				
Partnerships Programme ⁱ	250	250	250	250
Public Sector Technical Assistance Fund (PSTAF) ⁱⁱ	365	250	250	250
Community Initiatives Fund (CIS)	250	300	300	300
Gender and Development ⁱⁱⁱ	120	120 ^{iv}	120	120
Disabilities National Strategy ^v	200	200	200	200
NGO core funding ^{vi}	190	300	300	300
Sub Total	1375	1420	1420	1420
ACCESS TO AND DELIVERY OF BASIC NEEDS - EDUCATION				
Education (incl strategic plan)	1940	2000 ^{vii}	2000	2000
Refurbishment of education buildings	750	850 ^{viii}	750	0
Sub Total	2690	2850	2750	2000
ACCESS TO AND DELIVERY OF BASIC NEEDS - HRD				
In-country training	750	750	750	750
Short-term training awards	350	350	350	350
NZ Development Scholarships (NZDS)	160	160	160	160
NZ Development Scholarships – Regional (NZDS -R)	450	450	450	450
HRD Sector training Plans	150 ^{ix}	150	150	150
Sub Total	1860	1860	1860	1860
ACCESS TO AND DELIVERY OF BASIC NEEDS - HEALTH				
Medical Specialists	160	160	160	160
SUSTAINABLE ECONOMIC DEVELOPMENT				
Marine Resources	600	500	1000	1000
Small Business Support (inc SBEC and Review)	100	100	100	100
Outer Islands Development	2600 ^x	2000 ^{xi}	2000	2000
Sub Total	3300	2600	3100	3100
STRATEGY AND PROGRAMME DEVELOPMENT				
Migration Study	55	75	150	150
Country Strategy	0	50	0	0
Programme development/ feasibility ^{xii}	0	75	75	75
Support for National Plan Development	165	100 ^{xiii}	1 ^{xiv} 00	0
Sub Total	220	250	150	150
TOTAL INDICATIVE BILATERAL PROG	9605^{xv}	9140	9565	9315
TOTAL FUNDS AVAILABLE	8355	7500^{xvi}	8000	8000
Over programming (\$)	1500	1640	1290	1240
Over programming (%)	18	17	16	15
Head of Mission Fund	40	40	40	40
Cyclone Recovery Fund ^{xvii}	490	3000	4000	3000
TOTAL INDICATIVE FUNDS	9895	12180	13605	12355

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- ⁱ Tendering underway that will result in contract commitments for part of this allocation.
 - ⁱⁱ Includes funds for Alex George – Audit Office
 - ⁱⁱⁱ Excludes PTI and NCW.
 - ^{iv} Will depend on results of scoping/design study (to set priorities for next 5 years)
 - ^v Excludes Funding Arrangement for Creative Centre.
 - ^{vi} Includes Punanga Tauturu (\$130,000 pa), NCW (\$60,000 pa), Creative Centre (\$50,000 pa est.) and Red Cross (\$50,000 pa est.)
 - ^{vii} To be revised once the strategic plan is completed and costed
 - ^{viii} This may be supplemented by a potential roll over of funds to cover cyclone damage – adjustable at the end of the FY.
 - ^{ix} Roll over to 2005/06
 - ^x Included \$600,000 rolled over from 2004/05
 - ^{xi} The DPA is for \$6,000,000 over three years.
 - ^{xii} Possible FAP item – for new initiatives in programming approaches and aid delivery modalities (eg institutional strengthening project, sector based funding, etc) - dependent on discussion at HLTs.
 - ^{xiii} This is indicative only – can be revised once we get a proposal on what the process is for completing the plan – and what NZAID funding is required to the process
 - ^{xiv} Additional funds maybe rolled over from 20004/05
 - ^{xv} Includes \$1.3m rolled over from 2003/04.
 - ^{xvi} Estimate only – assuming a \$1,300,000 ASUAID contribution approx.
 - ^{xvii} NZAID's proposal is for \$10,000,000 over three years – to be revised once the proposal is completed

ATTACHMENT C - List of Delegates*Cook Islands Delegation*

Head of Delegation – Vaine Wichman, MP (Parliament Secretary and Assistant to Minister of Finance)

Edwin Pittman (Chairman Aid Coordinating C, Secretary of Foreign Affairs)

Garth Henderson (Manager, Aid Management Division)

Patricia Tuara Demmke (Senior Policy & Research Advisor, Aid Management Division)

Temarama Anguna (Chief Executive Officer, Minister of Health)

New Zealand Delegation

Head of Delegation – HE Kurt Meyer (NZ High Commissioner)

Sara Carley (Team Leader, Pacific Group)

Matthew Paterson (NZ Deputy High Commissioner)

Stephenie Knight (Cook Islands Program Manager, NZAID)

Christina Newport (Development Programme Coordinator, NZAID)

Alex Pierard (Cook Islands Policy Officer, MFAT)

Australian Delegation

Head of Delegation – Sue Kelly (Director, Polynesia and Regional Organisations, AusAID)

Jacqueline Clark (Cook Islands Program Officer, AusAID)